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1999-06-15 12:26:51
Cook County Recorder 37.50



Loan No. 3062320
Instrument Prepared by:
GN MORTGAGE CORPORATION
Record & Return to
GN MORTGAGE
ATTN: DOCUMENT CONTROL DEPARTMENT
P.O. BOX 23929
MILWAUKEE, WI 53223-0929

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MORTGAGE

9

THIS MORTGAGE ("Security Instrument") is given on MARCH 9, 1999
The mortgagor is DANIEL C. HUG, AN UNMARRIED MAN.

GN MORTGAGE CORPORATION, A WISCONSIN CORPORATION ("Borrower"). This Security Instrument is given to
GN MORTGAGE CORPORATION, A WISCONSIN CORPORATION, which is organized and existing
under the laws of WISCONSIN, and whose address is
4000 WEST BROWN DEER ROAD, BROWN DEER, WISCONSIN 53209 ("Lender").

Borrower owes Lender the principal sum of Sixty Thousand and 00/100
Dollars (U.S. \$ 60,000.00). 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
APRIL 1, 2029. 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:

LOT 86 IN SUBDIVISION OF BLOCK 24 IN CANAL TRUSTEES' SUBDIVISION OF
SECTION 7, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL
MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN #17-07-125-057-0000

P.N.T.N.

which has the address of 2 303 WEST GRAND AVENUE, CHICAGO,
Illinois 60612 60612 ("Property Address");
[Street] [City] [Zip Code]

ILLINOIS- Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
GFS Form G000022 (5E12)

Initials DCH
Form 3014 9/90
(page 1 of 7 pages)

Initials
DCH

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) evidencing the payments.

Under this paragraph, if Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

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 prepayment charges due under the Note; second, to amounts payable

secured by this Security Instrument. sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly return to Borrower any deficiency in no more than twelve monthly payments, at Lender's sole discretion.

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 to Lender the amount necessary to make up the deficiency. Borrower shall make up the Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time exceeds the amounts permitted to be held by applicable law, Lender shall account to all sums secured by this Security Instrument.

The Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any in- estate tax reporting service used by Lender in connection with its loan, unless applicable law provides otherwise. Unless Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

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 in- surance 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. Section 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.

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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows: variations by jurisdiction to constitute a uniform security instrument covering real property. THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited encumbrances of record.

Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any en- mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to Instrument. All of the foregoing is referred to in this Security Instrument as the "Property". and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security instrument, and all improvements now or hereafter erected on the property, and all easements, appurtenances,

Initials DM

that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any appropriate to normal residential uses and to maintenance of the Property.

use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting 20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release will also contain any other information required by applicable law.

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

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

18. Borrower's Right to Reinstate. 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 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) pay 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 obligations on 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.

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.

17. Transfer of the Property or a Beneficial Interest in Borrower's Property. Borrower shall be given one conformed copy of the Note and of this Security Instrument. Borrower shall be given one conformed copy of the Note and of this Security Instrument. 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.

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

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.

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.

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13. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan Borrower's consent.

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

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 waiver of or preclude the exercise of any right or remedy.

Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a wise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original not be required to commence proceedings against any successor in interest or refuse to extend time for payment or other-

Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall non of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or

sums secured by this Security Instrument, whether or not then due. Lender is authorized to collect and apply the proceeds, at its option, either to replacement or repair of the Property or to the

an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make

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 replacement or repair of the Property or to the

otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums 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 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

the sums secured by this Security Instrument shall be produced by the amount of the proceeds multiplied by the following 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, Instrument, whether or not then due, with an excess paid to Borrower. In the event of a partial taking of the Property in

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument 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 and shall be paid to Lender.

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.

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.

and Lender or applicable law. 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.

reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage each month a sum equal to the yearly mortgage insurance premium being paid by Borrower when the insurance coverage insurer approved by Lender. If substantially equivalent mortgage insurance is not available, Borrower shall pay to Lender

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any

reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage in-

Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower request-

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.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument to Borrower. Borrower shall pay any recordation 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.

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

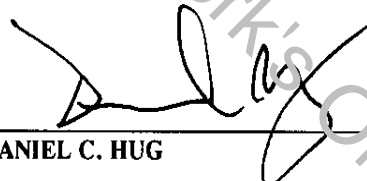
24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument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

[Check applicable box(es)]

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- Other(s) [specify]
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

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:



DANIEL C. HUG (Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

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[Space Below This Line For Acknowledgment]

STATE OF ILLINOIS,

Cook

County ss:

I, *Daniel Lauer* a Notary Public in and for said county and state, do hereby certify that DANIEL C. HUG personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared *hw* before me this day in person, and acknowledged that he/she/they signed and delivered the said instrument as *he* his her free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal, this 9TH day of MARCH, 1999

My Commission expires:

3/30/00

Daniel Lauer

Notary Public

This instrument was prepared by:
GN MORTGAGE CORPORATION
4000 WEST BROWN DEER ROAD
BROWN DEER, WISCONSIN 53209



Initials *DCL*

Loan No. 3062320

1-4 FAMILY RIDER
Assignment of Rents

THIS 1-4 FAMILY RIDER is made this 9TH day of MARCH, 1999
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 Note to GN MORTGAGE CORPORATION, A WISCONSIN CORPORATION (the "Lender")
of the same date and covering the Property described in the Security Instrument and located at:
303 WEST GRAND AVENUE, CHICAGO, ILLINOIS 60623 60612

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 in, 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 cur-
tain 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. SUBORDINATE LIENS. Except as permitted by federal law, Borrower shall not allow any lien inferior
to the Security Instrument to be perfected against the Property without Lender's prior written permission.

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

E. "BORROWER'S RIGHT TO REINSTATE" DELETED. Uniform Covenant 18 is deleted.

F. BORROWER'S OCCUPANCY. Unless Lender and Borrower otherwise agree in writing, the first sen-
tence in Uniform Covenant 6 concerning Borrower's occupancy of the Property is deleted. All remaining
covenants and agreements set forth in Uniform Covenant 6 shall remain in effect.

G. 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 G, the word "lease" shall mean "sublease" if the Security
Instrument is on a leasehold.

H. 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.

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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 agent 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 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.

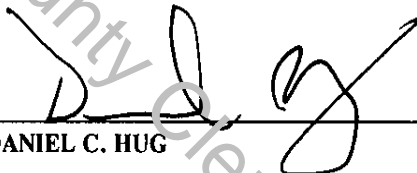
If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Uniform Covenant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

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.

I. 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.



DANIEL C. HUG (Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower