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PARCEL 1:

UNIT 1410 AS DELINEATED ON THE SURVEY OF THE FOLLOWING DESCRIBED PARCEL OF REAL ESTATE (HEREINAFTER REFERRED TO AS "PARCEL"): THAT PART OF LOT 94 IN OAK COURT, A SUBDIVISION OF PART OF THE SOUTH EAST ½ OF SECTION 31, TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTH WEST CORNER OF SAID LOT 94; THENCE NORTH ON THE WEST LINE OF SAID LOT, ALSO BEING THE EAST LINE OF SOUTH OAK PARK AVENUE, A DISTANCE OF 29.0 FEET; THENCE EAST ON A LINE PARALLEL WITH THE SOUTH LINE OF SAID LOT 94, ALSO BEING THE NORTH LINE OF WEST 181ST STREET, A DISTANCE OF 24.16 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE NORTH PARALLEL WITH THE WEST LINE OF SAID LOT 94, A DISTANCE OF 60.34 FEET; THENCE EAST AT RIGHT ANGLES, A DISTANCE OF 18.10 FEET; THENCE NORTH 1.99 FEET; THENCE EAST 14.0 FEET; THENCE SOUTH 6.0 FEET; THENCE EAST 14.04 FEET; THENCE NORTH 0.82 FEET; THENCE EAST 0.63 FEET; THENCE NORTH 5.07 FEET; THENCE EAST 19.42 FEET; THENCE SOUTH 5.07 FEET; THENCE EAST 23.75 FEET; THENCE SOUTH 5.0 FEET; THENCE EAST 10.08 FEET; THENCE NORTH 5.03 FEET; THENCE EAST 19.49 FEET; THENCE SOUTH 5.02 FEET; THENCE EAST 1.64 FEET; THENCE SOUTH 0.82 FEET; THENCE EAST 13.98 FEET; THENCE NORTH 6.0 FEET; THENCE EAST 14.0 FEET; THENCE SOUTH 2.05 FEET; THENCE EAST 18.15 FEET; THENCE SOUTH 60.34 FEET; TO A POINT 24.13 FEET NORTH OF THE SOUTH LINE OF SAID LOT 94; THENCE WEST 18.07 FEET; THENCE SOUTH 2.0 FEET; THENCE WEST 14.0 FEET; THENCE NORTH 1.99 FEET; THENCE WEST 14.03 FEET; THENCE SOUTH 0.83 FEET; THENCE WEST 1.72 FEET; THENCE SOUTH 5.09 FEET; THENCE WEST 19.50 FEET; THENCE NORTH 5.11 FEET; THENCE WEST 12.64 FEET; THENCE NORTH 5.03 FEET; THENCE WEST 20.95 FEET; THENCE SOUTH 5.06 FEET; THENCE WEST 19.63 FEET; THENCE NORTH 5.08 FEET; THENCE WEST 0.58 FEET; THENCE NORTH 0.82 FEET; THENCE WEST 14.08 FEET; THENCE SOUTH 6.0 FEET; THENCE WEST 14.0 FEET; THENCE NORTH 2.0 FEET; THENCE WEST 18.08 FEET TO THE POINT OF BEGINNING; WHICH SURVEY IS ATTACHED AS EXHIBIT "B" TO DECLARATION OF CONDOMINIUM MADE BY LA SALLE NATIONAL BANK, NATIONAL BANKING ASSOCIATION, AS TRUSTEE UNDER TRUST AGREEMENT DATED APRIL 7, 1972 AND KNOWN AS TRUST NUMBER 43963 FILED IN THE OFFICE OF THE REGISTRAR OF TITLES OF COOK COUNTY, ILLINOIS AS DOCUMENT LR 2688927; TOGETHER WITH ITS ~~UNDIVIDED~~ 6.7% PERCENTAGE INTEREST IN SAID PARCEL (EXCEPTING FROM SAID PARCEL ALL THE PROPERTY AND SPACE COMPRISING ALL THE UNITS THEREOF AS DEFINED AND SET FORTH IN SAID DECLARATION AND SURVEY)

PARCEL 2:

EASEMENTS APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 AS SET FORTH IN THE DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS DATED APRIL 18, 1973 AND FILED MAY 1, 1973 AS LR DOCUMENT NUMBER 2688926 AND AMENDED BY DOCUMENT DATED AUGUST 28, 1973 AND FILED AUGUST 30, 1973 AS DOCUMENT LR 2714911 AND SUPPLEMENTAL DECLARATION DATED JULY 6, 1973 AND FILED OCTOBER 19, 1973 AS DOCUMENT LR 2723346 AND AS CREATED BY DEED FROM LA SALLE NATIONAL BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED APRIL 7, 1972 AND KNOWN AS TRUST NUMBER 43963 TO ELIZABETH FANCEY DATED JULY 15, 1973 AND FILED DECEMBER 31, 1973 AS LR DOCUMENT 2733831 FOR INGRESS AND EGRESS, IN COOK COUNTY, ILLINOIS.

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ADDENDA TO MORTGAGE LOAN ASSUMABILITY RIDER

This Loan Assumability Rider is made the 22ND day of OCTOBER, 19 85, and is incorporated into and shall be deemed to amend and supplement a Mortgage dated of even date herewith, given by the undersigned (herein "Mortgagor") to secure Mortgagor's Note to BREMEN BANK AND TRUST COMPANY

or its assigns (herein "Mortgagee") and covering the Property described in the Mortgage and located at

6752 WEST 121ST STREET, TINLEY PARK, ILLINOIS 60477

In the event that Mortgagee's Note has been assigned to The First National Bank of Chicago, as Trustee pursuant to that certain Trust Indenture dated as of October 1, 1984, with the County of Cook, Illinois, then upon sale, rental or other disposition or transfer of title or possession, whether voluntary, involuntary or by operation of law, of all or any part of the Property, or upon any assumption of the Mortgage by, a person ineligible to receive a mortgage loan under or at a price in excess of that permitted under the County of Cook, Illinois 1984 Single Family Mortgage Purchase Program, Mortgagee may, by written notice to Mortgagor, declare all obligations secured hereby immediately due and payable and exercise any of the remedies provided under the Mortgage, except to the extent that such acceleration and in such particular circumstances where exercise of such a right by Mortgagee is prohibited by law. The provisions hereof shall prevail notwithstanding any contrary provisions in any note or other instrument which evidences the obligations hereby secured. Mortgagor shall notify Mortgagee promptly in writing of any transaction or event which may give rise to a right of acceleration hereunder. Mortgagor shall pay to Mortgagee all damages Mortgagee sustains by reason of the breach of the covenant of notice set forth herein.

Norma L. Felbinger
Mortgagor

NORMA L. FELBINGER, Spinster

Mortgagor

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LOAN FRAUD RIDER

This Loan Fraud Rider is made this 22ND day of OCTOBER 19 85 , and is incorporated into and shall be deemed to amend and supplement a Mortgage dated of even date herewith, given by the undersigned (herein "Mortgagor") to secure Mortgagor's Note to BREMEN BANK AND TRUST COMPANY

or its assigns (herein "Mortgagee") and covering the Property described in the Mortgage and located at

6752 WEST 181ST STREET, TINLEY PARK, ILLINOIS 60477

Upon discovery of fraud or misrepresentation by the Mortgagor or by the grantor of the Property to the Mortgagor (herein "Grantor") or any defect or inaccuracy which in the judgment of the Administrator of the County of Cook, Illinois, 1984 Single Family Mortgage Purchase Program (hereafter, the "Program") through which the related Mortgage Loan is being financed is material, with respect to any information provided by the Mortgagor in the mortgage application or Mortgagor's Affidavit executed in connection with Mortgagor's Note or with respect to any information provided by the Grantor in the Seller's Affidavit executed in connection with the Program, Mortgagee may, at Mortgagee's sole discretion, by written notice to Mortgagor, declare all obligations secured hereby immediately due and payable. The provisions hereof shall prevail notwithstanding any contrary provisions in any note or other instrument which evidences the obligations hereby secured. Mortgagor shall notify Mortgagee promptly in writing of any transaction or event which may give rise to a right of acceleration hereunder. Mortgagor shall pay to Mortgagee all damages Mortgagee sustains by reason of the breach of the covenant of notice set forth herein.


Mortgagor
NORMA L. FELBINGER, SPINSTER

Mortgagor

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Property of Cook County Clerk's Office

1902578

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CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 22ND day of OCTOBER, 19 85
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

BREMEN BANK AND TRUST COMPANY

(the "Lender")

of the same date and covering the Property described in the Security Instrument and located at:

6752 WEST 181ST STREET, TINLEY PARK, ILLINOIS 60477

(Property Address)

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

OAK VILLAGE

(Name of Condominium Project)

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

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

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph shall become additional debt of Borrower secured by the 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 requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.


NORMA L. FELBINGER, Spinster (Seal)
Borrower

(Seal)
Borrower

NOTE IDENTIFIED

170-16-477-D

HEB808

(Space Above This Line For Recording Date)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on OCTOBER 22 19 85 The mortgagor is NORMA L. FELBINGER, Spinster

("Borrower"). This Security Instrument is given to BREMEN BANK AND TRUST COMPANY

which is organized and existing under the laws of THE STATE OF ILLINOIS, and whose address is 17500 OAK PARK AVENUE TINLEY PARK, ILLINOIS 60477 ("Lender").

Borrower owes Lender the principal sum of THIRTY TWO THOUSAND AND NO/100----

Dollars (U.S. \$ 32,000.00

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 NOVEMBER 1, 2015 This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (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 ATTACHED RIDER.

28:31-407-005-1010

County Clerk's Office

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which has the address of 6752 WEST 181ST STREET TINLEY PARK (Street) (City) Illinois 60477 ("Property Address"); (Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

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BREMEN BANK AND TRUST COMPANY
17500 OAK PARK AVENUE
TINLEY PARK, ILLINOIS 60477

RECORD AND RETURN TO:

TINLEY PARK, IL 60477

ANITA J. FALSSIG

PREPARED BY:

My Commission expires: 10-7-86

Norma L. Feibinger
Notary Public

Given under my hand and official seal, this

10th day of *Oct*

1985

set forth.

signed and delivered the said instrument as

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that

he personally known to me to be the same person(s) whose name(s) IS

do hereby certify that NORMA L. FEIBINGER, Spinster

Norma L. Feibinger
a *Single* of the County of *Cook*

REGISTRAR OF TITLES

STATE OF ILLINOIS
3472668

Book

Special Book No. *12* of *195*

Submit Copy	Address	Promised	Deliver to	Address	Deed	Address	Notice
			472668				

(Seal) Borrower
(Seal) Borrower
(Seal) Borrower

Norma L. Feibinger
NORMA L. FEIBINGER, Spinster
(Seal) Borrower

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

- 2-4 Family Rider
 - Condominium Rider
 - Adjustable Rate Rider
 - Graduated Payment Rider
 - Planned Unit Development Rider
 - Others (specify)
20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time but not limited to, reasonable attorneys' fees and costs of title evidence.
21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.
22. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.
23. 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 riders (specify) were a part of this Security Instrument. [Check applicable box(es)]
19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 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 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

CHICAGO TITLE INS
70-16-977

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IN DUPLICATE

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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 insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. 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.

9. 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, 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.

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.

10. 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 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.

11. 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.

12. 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.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

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.

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 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 then would be due under this Security Instrument and the Note had no acceleration 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 paragraphs 13 or 17.

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requesting payment. Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this 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.

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

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 the payments. If from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach to this Security Instrument, and leasehold payments or ground rents, if any, Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

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

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") equal to one-twelfth of: (a) yearly taxes and assessments which may attach to this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

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.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

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

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach to this Security Instrument, and leasehold payments or ground rents, if any, Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

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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.

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