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RIDER TO SECURITY INSTRUMENT

DOC. 020

This Rider is made this 23rd day of JUNE 1988 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 (the "Note") to First Nationwide Bank, A Federal Savings Bank (the "Lender") of the same date and encumbering the property described in the Security Instrument and located at

9412 RAY COLONY IS, DEL PLAINES, IL 60016

Notice to Borrower: This rider changes the terms of your Security Instrument as set forth herein.

If the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association buys all or some of the Lender's rights under the Security Instrument and Note, the promises, agreements and covenants in paragraphs 2, 3, and 4 of this rider will no longer have any force or effect.

ADDITIONAL COVENANTS

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

1. The second paragraph of Section 2, Funds for Taxes and Insurance, is amended so that, following the sentence which ends with "permits Lender to make such a charge" is inserted in the following new sentence "A charge assessed by Lender in connection with Borrower's entering into this Security Instrument to pay the cost of an independent tax reporting service shall not be a charge for purposes of the preceding sentence."
2. **Insured Losses:** The following provisions are added to paragraph 5 of the Security Instrument and supersede any provisions in conflict therewith. If the property is damaged, and the loss is covered by insurance, the Borrower must immediately notify the Lender and the insurance company. The proceeds of the insurance will be paid to the Lender. The Borrower will arrange for the repair of the property and hire his own contractor(s). After the work is done, Lender will pay the contractor's bills from the insurance proceeds provided Lender approves of the quality of the work done and the amounts of the bills, or if the Borrower has paid those bills himself, Lender will reimburse the Borrower from the insurance proceeds. If there is any balance of insurance proceeds remaining with Lender after completion of the repairs and the payment of all bills, and if the loan is not in default, Lender will pay over the balance to the Borrower. If the loan is in default, Lender has the right to apply the balance to a principal reduction of the loan. It is the Borrower's responsibility to see that no mechanic's liens are filed against the property. The Lender shall not be responsible for paying out any more funds than it has received in insurance proceeds.
3. **Additional Loan Call Provision:** Paragraph 17 of the Security Instrument is amended to provide that the provisions thereof for acceleration and for immediate payment in full of all sums secured by the Security Instrument shall apply if a suit is brought to deprive Borrower of title or to condemn the property as being unfit for human use or to abate a nuisance, or if the Borrower's title is lost by execution sale or by any other legal process.
4. **Payoff, Reconveyance or Satisfaction:** Subject to applicable law, Borrower agrees to pay Lender a reasonable fee to prepare a payoff statement, reconveyance or satisfaction, plus the cost of recording the deed of reconveyance or satisfaction.

IN WITNESS WHEREOF, Borrower has executed this Rider to Security Instrument

Borrower Margaret Stephen (seal)
MARGARET STEPHEN

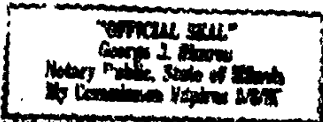
Borrower Judy Stephen (seal)
JUDY STEPHEN

Borrower _____ (seal)

Borrower _____ (seal)

[Space Below This Line for Acknowledgment]

COOK COUNTY SS: ILLINOIS,
I, George J. Skuras, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, DO HEREBY CERTIFY THAT MARGARET STEPHEN AND JUDY STEPHEN, PERSONALLY KNOWN TO ME TO BE THE SAME PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT, APPEARED BEFORE ME THIS DAY IN PERSON, AND ACKNOWLEDGED THAT THEY SIGNED AND DELIVERED THE SAID INSTRUMENT AS THEIR FREE AND VOLUNTARY ACT, FOR THE USES AND PURPOSES THEREIN SET FORTH.
GIVEN UNDER MY HAND AND OFFICIAL SEAL, THIS 23rd DAY OF JUNE, 1988.
MY COMMISSION EXPIRES: March 8, 1991



George J. Skuras
NOTARY PUBLIC

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RIDER TO SECURITY INSTRUMENT

GOC. 022

This Security Instrument Rider is attached to and made part of a Security Instrument (Deed of Trust, Mortgage or Deed of Trust to Secure Debt) dated **JUNE 23, 1988** given by the undersigned (the "Borrower") to secure Borrower's Note to **FIRST NATIONAL BANK, A FEDERAL SAVINGS BANK** (the "Lender") of the same date and shall be deemed to amend and supplement said Security Instrument.

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

A. ASSUMPTION

Lender will consent to a transfer of the property subject to the Security Instrument if (i) the credit of Borrower's successor in interest meets the Lender's then current underwriting criteria; (ii) Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender; and (iii) Borrower's successor in interest pays to Lender an assumption fee in an amount requested by Lender, which shall not exceed the amount requested by Lender for similar transactions.

B. INTEREST RATE AND PAYMENT ADJUSTMENTS. The following paragraph is hereby added to the Security Instrument:

INTEREST RATE AND PAYMENT ADJUSTMENTS. The Promissory Note secured by this Security Instrument contains the following provisions:

3. INTEREST RATE ADJUSTMENTS

(A) Definitions

"INDEX" MEANS THE WEEKLY AVERAGE YIELD ON UNITED STATES TREASURY SECURITIES ADJUSTED TO A CONSTANT MATURITY OF 1 YEAR, AS PUBLISHED BY THE FEDERAL RESERVE BOARD. IN THE EVENT SUCH INDEX IS NOT AVAILABLE, INDEX SHALL MEAN A SUBSTITUTE INDEX SELECTED BY NOTE HOLDER IN COMPLIANCE WITH FEDERAL LAW. "INITIAL INDEX" MEANS THE INDEX RATE PUBLISHED BY THE FEDERAL RESERVE BOARD DURING THE WEEK PRIOR TO RECEIPT OF LOAN APPLICATION. THE INITIAL INDEX ON THIS LOAN IS 7.010%. "CURRENT INDEX" MEANS THE INDEX VALUE MADE AVAILABLE BY THE FEDERAL RESERVE BOARD 45 DAYS PRIOR TO EACH CHANGE DATE.

"INITIAL DISCOUNT" The Initial Discount is 2.135 %

"MARGIN" The Margin is 2.75 %

"FULLY INDEXED RATE" is the sum of the applicable Index value plus the Margin.

"INTEREST RATE" means the annual rate of interest charged on the principal balance of the loan from time to time.

"INITIAL INTEREST RATE" means the Interest Rate charged as of the date the Note is executed as shown in Section 2. It is equal to the initial Fully Indexed Rate less the Initial Discount.

"CHANGE DATE" means each date on which the Interest Rate shall change, which is the date on which every TWELFTH regularly scheduled monthly payment is due.

"THEN CURRENT INTEREST RATE" means, for the period prior to the first Change Date, the Initial Interest Rate. Thereafter it means the Interest Rate after the most recent Change Date.

"PAYMENT ADJUSTMENT DATE" means the date on which each Payment Adjustment shall be effective, namely the first day of the month following each Change Date.

(B) INTEREST RATE ADJUSTMENTS

I understand that on each Change Date, the Note Holder shall decrease, or may at its option, increase the Interest Rate as follows. Before each Change Date, the Note Holder will calculate the new Interest Rate by adding the Margin stated in the Loan Approval Letter and in Section 3(A) above, to the Current Index to arrive at the Fully Indexed Rate. The Note Holder then rounds the Fully Indexed Rate to the nearest one-eighth of one percentage point (0.125%). This rounded amount, subject to the following limitations, will be the new Interest Rate until the next Change Date. The Interest Rate will never be increased or decreased on any single Change Date by more than 2.00 PERCENT from the rate of interest in effect during the preceding TWELVE months. The Interest Rate will never be more than 13.2500 % nor be in excess of five percentage points (5%) below the Initial Interest Rate. The fact that the Note Holder may not have invoked a permissible increase in whole or in part shall not be deemed a waiver of the Note Holder's right to invoke such an increase at a later time.

4. PAYMENTS

(C) Amount of Monthly Payments. Monthly installments of principal and interest will be due on the first day of each month. Commencing on (date set forth in the Note), my monthly payments will be U.S. \$ (amount set forth in the Note), subject to adjustment as follows: as of each Change Date, the amount of the monthly installments of principal and interest will be increased or decreased to an amount sufficient to repay the remaining Principal Balance in full at the Then Current Interest Rate in substantially equal payments by the Final Payment Date (a "Payment Adjustment"). Each Payment Adjustment shall be effective on the first day of the month following each Change Date."

IN WITNESS WHEREOF, Borrower has executed this Security Instrument Rider.

Borrower _____ (seal)
Date _____

Margaret Stepien (seal)
Borrower _____ Date _____

MARGARET STEPIEN

Borrower _____ (seal)
Date _____

Jerry Stepien (seal)
Borrower _____ Date _____

JERRY STEPIEN
Loan # 32007293

LOAN ID STEP9412

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CONDOMINIUM RIDER

DOC. 022

THIS CONDOMINIUM RIDER is made this 23RD day of JUNE, 1988 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 FIRST NATIONALWIDE BANK, A FEDERAL SAVINGS BANK (the "Lender")

of the same date and covering the Property described in the Security Instrument and located at:
9412 BAY COLONY 1S
DES PLAINES, IL 60016

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

BAY COLONY CONDOMINIUM HOMEOWNERS ASSOCIATION

(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 F 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 requiring payment.

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

Borrower Margaret Stepien
MARGARET STEPIEN

Borrower Jerzy Stepien
JERZY STEPIEN

Borrower _____

Borrower _____

EXHIBIT B

Loan Number 32007293

LOAN ID STEP9412

CLOSER ID 552

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DESCRIPTION OF PROPERTY

ITEM 1

UNIT 782 as described in survey delineated on and attached to and a part of Declaration of Condominium Ownership registered on the 15th day of November 1979 as Document Number 2783627

ITEM 2

An Undivided 2928% interest (except the Units delineated and described in said survey) in and to the following Described Premises:

That part of LOTS ONE (1), TWO (2) and FIVE (5), in Louis Meinshausen's Subdivision of part of Frederick Meinshausen's Division of lands in Sections 15 and 16, Township 61 North, Range 12, East of the Third Principal Meridian, described as follows--Beginning at a point in the North line of Lot 1 aforesaid, 91.00 feet West of the Northeast corner thereof; thence West along the North line of Lot 1 aforesaid, 367.33 feet to a line which is perpendicular to the Easterly division of the North line of the South Half (H) of the Northeast Quarter (Q) of the Northeast Quarter (Q) of Section 16 aforesaid, which is drawn through a point in said Easterly extension 192.86 feet East of the Northeast corner thereof; thence South along said perpendicular line 247.59 feet to a line perpendicular to the West line of Lot 1 aforesaid which passes through a point in said West line 610.00 feet North of the Southeast corner of Lot 2 in Louis Meinshausen's Subdivision aforesaid; thence West along last described perpendicular line 495.29 feet to a line 252.52 feet West of and parallel with the East line of Lot 2 aforesaid; thence North along said parallel line 231.73 feet to a point on the North line of Lot 2 aforesaid; thence West along the North line of Lot 2 aforesaid 427.11 feet to a point 710.0 feet West of the Northeast corner thereof; thence Southerly 301.37 feet along a line which makes an angle of 88 degrees 46 minutes 00 seconds to the left of the last described line extended; thence Easterly 46.0 feet along a line which makes an angle of 91 degrees 12 minutes 00 seconds to the left of the last described line extended; thence Northerly along a line which makes an angle of 88 degrees 48 minutes 00 seconds to the left of the last described line extended for a distance of 15.01 feet to the South line of the North 477.34 feet of Lot 2 aforesaid; thence East along said South line 30.0 feet to the East line of the West 30.0 feet of Lot 2 aforesaid; thence South along said East line 211.58 feet to the South line of the North 477.34 feet (measured at right angles) of Lot 2 aforesaid; thence East along said South line 361.03 feet to the West line of the East 220.5 feet (measured at right angles) of Lot 2 aforesaid; thence South along said West line 367.06 feet to the South line of Lot 2 aforesaid; thence East along said South line 236.70 feet to the Southeast corner thereof; thence East along a line perpendicular to the West line of Lot 5 aforesaid, a distance of 268.92 feet to a diagonal line drawn from a point in the North line of Lot 5 aforesaid 131.06 feet East of the Northwest corner thereof to a point in the South line of Lot 5 aforesaid 73.00 feet East of the Southwest corner thereof; thence Northeasterly along said diagonal line for a distance of 146.41 feet to a line 128.16 feet East of, as measured at right angles, and parallel with the West line of Lots 1 and 5 aforesaid; thence North along last described parallel line 444.61 feet; thence East at right angles thereto 152.17 feet to a diagonal line drawn from the point of beginning to a point in the South line of Lot 1 aforesaid 351.04 feet East of the Southwest corner thereof; thence Northeasterly along last described diagonal line 310.72 feet to the point of beginning.

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LOAN #32007293

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MORTGAGE

NOTE IDENTIFIED

THIS MORTGAGE ("Security Instrument") is given on JUNE 23 1988. The mortgagor is JERZY STEPIEN AND MARGARET STEPIEN, HIS WIFE ("Borrower"). This Security Instrument is given to FIRST NATIONWIDE BANK, A FEDERAL SAVINGS BANK, which is organized and existing under the laws of CALIFORNIA, and whose address is 700 MARKET STREET, SAN FRANCISCO, CA 94102 ("Lender"). Borrower owes Lender the principal sum of Forty thousand and 00/100 Dollars (U.S. \$ 40,000.00) 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 JULY 1, 2018. 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 _____ County, Illinois:

SEE ATTACHED LEGAL RIDER

TAX ID #09-15-101-021-1338
 which has the address of 9412 BAY COLONY IS DES PLAINES
[Street] [City]
 Illinois 60016 ("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.

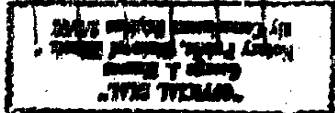
THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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JUN 27 1988
NARY (GUS) YORELL
REGISTRAR OF DEEDS

RECORD AND RETURN TO:
FIRST NATIONAL BANK
3060 OGDEN AVENUE
LISLE, ILLINOIS 60532



NOTARY PUBLIC

Deed:
Address:
Notified:
Kelly

TITLE
AND, INC.
3RD FLOOR
L 60603

PREPARED BY:
LISA REGINELLI

3718910

MY COMMISSION EXPIRES:
MAY 8, 1989

GIVEN UNDER MY HAND AND OFFICIAL SEAL, THIS 27th DAY OF JUNE 1988

PURPOSES THEREIN SET FORTH, THE SAID INSTRUMENT AS THEIR FREE AND VOLUNTARY ACT, FOR THE USES AND BEFORE ME THIS DAY IN PERSON, AND ACKNOWLEDGED THAT THEY SIGNED AND DELIVERED PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT, APPEARED AND FOR SAID COUNTY AND STATE, DO HEREBY CERTIFY THAT SAID STEPHEN AND MARGARET STEPHEN, his wife, PERSONALLY KNOWN TO ME TO BE THE SAME, A NOTARY PUBLIC IN

I, the undersigned

COOK COUNTY SS: ILLINOIS

(Space Below This Line For Acknowledgment)

MARGARET STEPHEN (Seal)
STEPHEN STEPHEN (Seal)

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.

- 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.
- 20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.
- 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 rider(s) were a part of this Security Instrument. (Check applicable box(es))
 - Adjusted Rate Rider
 - Graduated Payment Rider
 - Planned Unit Development Rider
 - Condominium Rider
 - 2-4 Family Rider
 - ESCROW RIDER
 - Other(s) [Specify]

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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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