

# UNOFFICIAL COPY

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THIS INSTRUMENT WAS PREPARED BY: **DEBBIE BROOKS**  
One North Dearborn Street  
Chicago, Illinois 60602

**CITICORP SAVINGS**

**ADJUSTABLE RATE  
MORTGAGE**

Corporate Office  
One South Dearborn Street  
Chicago, Illinois 60603  
Telephone (1 312 977 5000)

LOAN NUMBER: 001032887

NOTE IDENTIFIED

THIS MORTGAGE ("Security Instrument") is given on **October 3 1988**. The mortgagor is **(DAVID A GUZIK and KIMBERLY A NIKOLAEV, his wife**

("Borrower"). This Security Instrument is given to Citicorp Savings of Illinois, A Federal Savings and Loan Association, which is organized and existing under the laws of The United States, and whose address is One South Dearborn Street, Chicago, Illinois 60603 ("Lender") Borrower owes Lender the principal sum of **ONE HUNDRED FIFTY THREE THOUSAND SIX HUNDRED AND 00/100** Dollars (U.S. \$153,600.00). 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, 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 **COOK** County, Illinois:

**LOT 20 (EXCEPT THE SOUTH 12.50 FEET THEREOF) IN BLOCK 55 IN THE VILLAGE OF RIDGELAND, A SUBDIVISION OF THE EAST 1/2 OF THE EAST 1/2 OF SECTION 7, AND ALSO THE NORTH WEST 1/4 AND THE WEST 1/2 OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 8, ALL IN TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.**

I.D. #16-08-312-003

3743532

which has the address of **308 S RIDGELAND** **OAK PARK**  
(Street) (City)  
Illinois **60302** ("Property Address").

**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.

UNIFORM COVENANTS, Conditions and Lender's Obligations and Agreements:

**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.

**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 attain priority over 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.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds and the purpose for which each debit to the funds was made. Accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

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 application as a credit against the sums secured by this Security Instrument.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to 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 attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**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.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

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 under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting 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.

**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.

**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.

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 requesting payment.

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 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 accommodation with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

**12. Loan Charge.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and the 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 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 the 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 confirmed 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 judgement 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 not 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 the paragraphs 13 or 17.

Loan Number: 001032887

THIS ADJUSTABLE RATE MORTGAGE CONVERSION RIDER is made this 3rd day of October, 1988, and is incorporated into and shall be deemed to amend and supplement the Mortgage (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to Citicorp Savings of Illinois, a Federal Savings and Loan Association (the "Lender") and covering the property described in the Security Instrument located at:

308 S RIDGELAND  
OAK PARK, ILLINOIS 60302

**ADDITIONAL COVENANTS:** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender agree as follows:

The Adjustable Rate Note Conversion Rider to Borrower's Note contains provisions that allow the Borrower to convert the Adjustable Rate Note to a fixed rate Note. That Rider provides as follows:

**A. Fixed Interest Rate Option**

**1. Option to Convert to Fixed Rate.**

I have an option, (the "Conversion Option") which I can exercise to convert the interest rate I am required to pay by the Note from an Adjustable Rate to a Fixed Rate calculated under Section A (4) below for the remaining term of my Loan unless sections A(1) or A(2) of this Rider will not permit me to do so.

The conversion can only take place on a date specified by the Note Holder during the period of time (the "Conversion Period") beginning on the Second Change Date and ending on the Tenth Change Date of my Note. Each date on which my adjustable interest rate can convert to a new fixed rate is called a "Conversion Date". I can convert my interest rate **only** on one of these Conversion Dates.

If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (a) I am not in default or foreclosure under the Note or the Security Instrument on the date I give the Lender notice that I want to exercise the Conversion Option, or on the date the Lender receives my signed Notice of Conversion; (b) I am not in default or foreclosure under the Note or the Security Instrument on the date on which my interest rate converts from an adjustable rate to a fixed rate (the "Conversion Date"); (c) I have not been assessed for more than one (1) late charge in the twelve (12) months immediately preceding the date I give the Lender notice that I want to exercise the Conversion Option, and I am not assessed a late charge from the time I give such notice to the Conversion Date; (d) within the times described below in Section A(2) I (i) give Lender notice of my desire to exercise the Conversion Option; (ii) pay a non-refundable fee (the "Conversion Fee") equal to \$ 250.00; (iii) properly complete and return to the Lender the Notice of Conversion after I obtain from the Lender the information necessary to complete it; and (iv) I give Lender any additional documents and meet any additional requirements that may be necessary for exercise of the Conversion Option; and (e) no assumption of my loan has occurred. (If my loan is assumed, as may be permitted under certain conditions specified in an Assumption Certificate that may have been delivered to me by the Lender, my loan will no longer be convertible to a fixed rate loan). My rights under this Rider are not assignable.

**2. Exercise of Conversion Option**

I may not begin the conversion process earlier than the month immediately preceding the Second Change Date. My last opportunity to begin the conversion process is the month immediately preceding the Final Change Date to occur during the Conversion Period. I may begin the conversion process during any month between these months.

To begin the conversion process in a particular month, I must telephone Lender during regular business hours sometime from the opening of business on the first business day of that month through the close of business on the fourth business day of that month at Lender's Customer Service Department ( 312-977-5770 ) or at such other number as Lender may advise me. Lender will advise me of the fixed rate then available to me and give me instructions on completing my Notice of Conversion.

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If I decide to exercise my Conversion Option, I must complete my Notice of Conversion and return it to Lender together with the Conversion Fee. The properly completed and signed Notice of Conversion and the Conversion Fee MUST be received by Lender no later than the seventh business day of that month. The Notice of Conversion and Conversion Fee must be received by Lender at its office specified during my telephone conversation required above. Delivery to one of Lender's other offices does not satisfy this delivery requirement, and may result in a delay that will render my attempted exercise of my Conversion Option null and void.

3. Effective Date of Fixed Interest Rate.

If I satisfy all of the conditions for exercising the Conversion Option described in Section A(2) above, the new fixed interest rate will go into effect on the first day of the month following Lender's receipt of the Notice of Conversion and Conversion Fee. This date is called the "Conversion Date". If I do not satisfy all of these conditions for exercising my Conversion Option, or I improperly complete or sign my Notice of Conversion, any attempted exercise of my Conversion Option will be of no effect. If I have timely satisfied all of these conditions for exercising my Conversion Option, I may cancel my exercise of my Conversion Option by notice signed by all Borrowers and received by Lender before the Conversion Date. If I do cancel, however, my Conversion Option will become null and void, and my Note will remain an adjustable rate note until maturity.

4. Calculation of Fixed Rate

My new fixed interest rate will be determined as of the close of the Federal National Mortgage Association's last business day of the month immediately preceding the month in which I deliver my Notice of Conversion and Conversion Fee to Lender, and will be equal to the Federal National Mortgage Association's 30 year A/A 60 day delivery required net yield for fixed rate mortgages as quoted with no commitment fee (the "FNMA 60-Day Rate") plus 5/8 percentage points (the "Margin").

If the FNMA 60-Day Rate is not available when I exercise my Conversion Option, Note Holder will choose a substitute rate which is based on comparable information. If I exercise my Conversion Option, any limits on interest rate changes on any Change Date or over the full term of my Note will not apply when the fixed rate is established. However, the fixed interest rate will not exceed a maximum rate of 14.75 %.

5. Determination of New Payment Amount.

If I choose to exercise the Conversion Option, the Note Holder will determine the amount of the monthly payment that would be sufficient to repay the unpaid principal I am expected to owe on the Conversion Date in full on the maturity date at my new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. Beginning with my first monthly payment after the Conversion Date, I will pay the new amount as my monthly payment until the maturity date.

B. Transfer of the property or a Beneficial Interest in Borrower.

If the adjustable interest rate of my Note is converted to a fixed rate under this Conversion Option, all of the assumption rights available under the terms of any Assumption Certificate provided to me to supplementing the Note and Security Instrument will terminate on the Conversion Date, and the terms under which I may be required to pay in full all amounts I owe under the Note which are described in the section of the Note captioned "Uniform Secured Note" shall continue to be in full force and effect without exception.

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

x David A. Gozik  
DAVID A GOZIK Borrower

x Kimberly A. Nikolaev  
KIMBERLY A NIKOLAEV Borrower

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Borrower

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Borrower

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NOTICE: The Security Instrument secures a Note which contains a provision allowing for changes in the interest rate. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

This Rider is made this 3rd day of October, 1988, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to Citicorp Savings of Illinois, A Federal Savings and Loan Association.

(the "Lender"), of the same date (the "Note") and covering the property described in the Security Instrument and located at

308 S RIDGELAND, OAK PARK, ILLINOIS 60302

Property Address

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

A. Interest Rate and Monthly Payment Changes

The Note has an "Initial Interest Rate" of 7.500%. The Note interest rate may be increased or decreased on the 1st day of the month beginning on May 1, 1989 and on that day of the month every 6 month(s) thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the: (Check one box to indicate Index.)

- (1) [ ] \* The weekly average yield on United States Treasury securities adjusted to a constant maturity of year(s), as made available by the Federal Reserve Board.
(2) [X] \* The weekly auction average (investment) yield on six month United States Treasury Bills.
(3) [ ] \* Other:

In no event over the full term of the Note will the interest rate be increased more than Seven and 1/4 percentage points ( 7.25 %) from the Initial Rate of Interest. Before each Change Date the Note Holder will calculate the new interest rate by adding Three and 1/8 percentage points ( 3.125 %) to the Current Index. However, the rate of interest that is required to be paid shall never be increased or decreased on any single Change Date by more than One percentage points ( 1 %) from the rate of interest currently being paid.

If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

B. Loan Charges

It could be that the loan secured by the Security Instrument is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from me which exceeded permitted limits will be refunded to me. The Lender may choose to make this refund by reducing the principal I owe under the Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

C. Prior Liens

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of the Security Instrument or shall promptly secure an agreement in form satisfactory to Lender subordinating that lien to this Security Instrument.

D. Transfer of the Property

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) an increase in the limit on the amount of interest rate change over the full term of the Note, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.

By signing this, Borrower agrees to all of the above.

\* If more than one box is checked, or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply to Notes with Change Date one year or more apart and the second Index will apply to Notes with Change Dates less than one year apart.

Signatures of David A Guzik and Kimberly A Nikolaeff with seals and names below.

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Property of Cook County Clerk's Office

NOTARY PUBLIC  
Mark E. Harwood  
Notary Public, State of Illinois  
My Commission Expires 03/31/2011

