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This instrument was prepared

3984958

Ann Doukas

NORWOOD FEDERAL SAVINGS & LOAN ASSOCIATION
Div. of Deerfield Federal Savings & Loan Association
5813 NORTH MILWAUKEE AVENUE
CHICAGO, ILLINOIS 60646

3981958

AT G.F.F./D.C.

ATTORNEY'S TITLE
GUARANTY FUND, INC.
29 S. LA SALLE 5th FLOOR
CHICAGO, ILLINOIS 60606

3984958

REGISTERED
CAREL MOSELEY BAUM
AUG - 2 AM 10-28

(Space Above This Line For Recording Date)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on August 1, 1991
The mortgagor is Douglas A. Bernardini and Eileen E. Bernardini, his wife

("Borrower"). This Security Instrument is given to

Deerfield Federal Savings and Loan Association
which is organized and existing under the laws of the United States of America, and whose address is

745 Deerfield Road, Deerfield, Illinois 60015

Eighty Five Thousand Six Hundred and No/100***** ("Lender"). Borrower owes Lender the principal sum of

Dollars (U.S. \$ 85,600.00*****). 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 August 1, 2021.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook

County, Illinois:

Parcel 14. The North 10.48 feet of the South 554.94 feet of the West 38.21 feet of the East 929.16 feet, together with the North 17.42 feet of the South 544.45 feet of the West 78.06 feet of the East 929.16 feet, all measured along and perpendicular to the South line, of the Northwest Quarter (1/4) of Section 12, Township 42 North, Range 10, East of the Third Principal Meridian.
PIN# 02-12-102-004

which has the address of 1092 Randville Drive
(Street)
Illinois 60067-2910 ("Property Address");
(Zip Code)

Palatine
(City)

ILLINOIS Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
ITEM 1076 (0012)

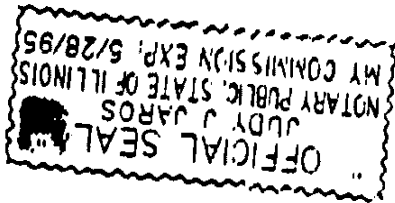
Loan # 710987100456

Form 3014 9/90 (page 1 of 6 pages)
Great Lakes Business Forms, Inc.
To Order Call: 1-800-530-0393 (FAX 810-791-1131)

NOT

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Form 3014 9/90 (page 6 of 6 pages)



Chicago, IL 60646
5813 N. Milwaukee Ave.
Division of Deerfield Federal Savings
Norwood Federal Savings Bank,
Ann Doukas
This instrument was prepared by and send to:

Notary Public

[Signature]

My Commission expires: 5/28/95

(Given under my hand and official seal, this 1st day of August, 1991

forth.

and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed are personally known to me to be the same person(s) whose name(s) are

do hereby certify that Douglas A. Bernardini and Eileen E. Bernardini, his wife, a Notary Public in and for said county and state.

(County as:

STATE OF ILLINOIS

Douglas A. Bernardini
(Seal) Borrower
Social Security Number 349-60-9035
Eileen E. Bernardini
(Seal) Borrower
Social Security Number 331-66-2331

Witnesses:

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.

☒ Other(s) (specify) Call Option Rider

☐ Balloon Rider

☐ Graduated Payment Rider

☐ Adjustable Rate Rider

☐ Condominium Rider

☐ Planned Unit Development Rider

☐ Rate Improvement Rider

☐ Second Home Rider

☐ Biweekly Payment Rider

☐ 1-4 Family Rider

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

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Loan # 710987100456

ILLINOIS - Single Family - Fannie Mae/Freddie Mac (LMI/ARM INSTRUMENT)

Form M14 9/90 (page 1 of 6 pages)

Illinois 60067-2910 ("Property Address")

(Zip Code)

(Street)

1092 Randolph Drive

which has the address of

(City)

Palatine

PTN: 02-12-102-004

Parcel 2: Easements appurtenant to and for the benefit of the above listed parcels, as set forth in the Declaration of Protective Covenants dated October 27, 1975 and filed November 4, 1975 as Document No. 182838965, as amended by Document No. 182853133 and as created by the Deed from Cunningham Courts Townhomes, Inc. to Lester A. Henning and Sonya M. Henning, his wife, filed March 12, 1976 as Document No. 182858752 for ingress and egress, all in Cook County, Illinois.

Parcel 1: The North 10.48 feet of the South 554.94 feet of the West 38.21 feet of the East 929.16 feet, together with the North 17.42 feet of the South 544.46 feet of the West 18.06 feet of the East 929.16 feet, all as measured along and perpendicular to the South line of the North West 1/4 of Section 12, Township 42 North, Range 10, East of the Third Principal Meridian, in Cook County, Illinois.

MORTGAGE

1521 AUG -2 AM 10 28
CAROL MOSLEY BRAUN
REGISTRAR OF TITLES

3984958

3984958

IN DUPLICATE

Submitted by	Address	Delivered by	Address	Notified	Address
Ann Doukas	3984958	3984958	3984958	3984958	3984958

Ann Doukas

NORWOOD FEDERAL SAVINGS BANK
Div. of Federal Savings
5818 NORTH MILWAUKEE AVENUE
CHICAGO, ILLINOIS 60646

ATTORNEY'S TITLE
GUARANTY FUND, INC.
29 S. LA SALLE 5th FLOOR
CHICAGO, IL 60603
312-372-8361

This instrument was prepared by:

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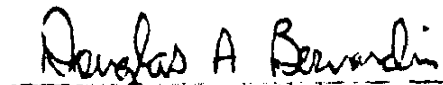
24. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument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

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

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

Witnesses:




Douglas A. Bernardini (Seal)
Borrower
Social Security Number 349-60-5035

Eileen E. Bernardini (Seal)
Borrower
Social Security Number 331-66-2331

STATE OF ILLINOIS,

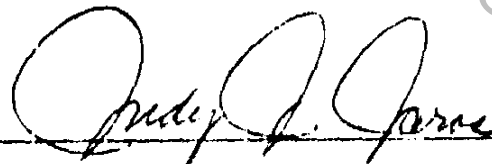
Cook

County ss:

I, *the undersigned*, a Notary Public in and for said county and state,
do hereby certify that Douglas A. Bernardini and Eileen E. Bernardini, his wife
, personally known to me to be the same person(s) whose name(s) 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 1st day of August, 1991

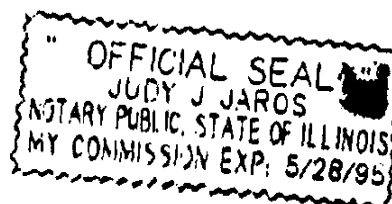
My Commission expires: *5/28/95*



Notary Public

This instrument was prepared by and sent to:

Ann Doukas
~~Norwood Federal Savings Bank,~~
(Name)
Division of Deerfield Federal Savings
~~5813 N. Milwaukee Ave.~~
(Address)
Chicago, IL 60646



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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 as if no acceleration had 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 paragraph 17.

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

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, material containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

available and is obtained, Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower

8. **Mortgage Insurance.** If lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available.

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

7. **Protection of Lender's Rights in the Property.** 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 forfeiture 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 to the neglect in writing.

6. (Occupancy, Preservation, Maintenance and Protection of the Property): Borrower's Loan Application, Leasehold, Homestead, Occupancy, Establishment, and use of the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless existing circumstances exist which are beyond Borrower's control. Borrower shall not be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and resume, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is or a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees in writing to the acquisition.

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 2, 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.

Lender and Borrower agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is not 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 this Security Instrument, whether or not then due. The 30-day period will begin when Lender may make good of loss if not made promptly by Borrower.

approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at its option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 2. 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 renewals. In the event of loss, Borrower shall give prompt notice to the insurance carrier and

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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 in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to 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.

11. 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.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of 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.

13. 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.

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

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CALL OPTION RIDER

This Rider is made this 1st day of August, 1991 and is incorporated into and shall be deemed to amend and supplement this Mortgage (the "Security Instrument") and Note of the same date given by the undersigned (the "Borrower") and covering the property described in the Security Instrument and located at:

1092 Randville Dr., Palatine, Il. 60067-2910

(Property Address)

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

LENDER'S CALL OPTION

A. Exercise of Option

- (1) During the thirty day period commencing one hundred twenty (120) days prior to the fifth anniversary date of the Note, Lender may, upon written notice to Borrower, accelerate the entire unpaid principal balance due under the Note (such right shall be referred to hereafter as "Lender's Call Option"). Said Notice shall be sent registered mail, return receipt requested, to the Borrower at the Borrower's last known address, and shall be deemed given when deposited in the U.S. mail, postage prepaid.
- (2) Such notice shall state (i) the date on which payment in full is due ("the Due Date"), which date must be at least ninety (90) days after the date the notice is mailed and (ii) the rate of interest charged as of that date by Lender on its secured residential home mortgage loans ("the New Interest Rate"). The entire unpaid principal balance of the Note, together with any and all accrued but unpaid interest and any other sums owing under the terms of the Security Instrument shall be due and payable on or before the Due Date. If Borrower fails to pay such sums when due, Lender may invoke any and all remedies permitted under the Note or Security Instrument.
- (3) In the event Lender does not exercise its Call Option as set forth above, Lender's Call Option shall be renewed annually during the thirty day periods commencing one hundred twenty (120) days prior to the anniversary date of the Note. Lender's Call Option as renewed, can be exercised in the same manner, and with the same effect, as set forth in subparagraphs (1) and (2) above.

B. Borrower's Right to Refinance

- (1) In the event Lender exercises its Call Option, Lender agrees to loan funds to Borrower in an amount equal to the unpaid principal balance as of the Due Date on the following terms:

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(2)

- (i) The rate of interest charged shall be the New Interest Rate.
 - (ii) Borrower shall pay on the Due Date a loan origination fee in an amount not to exceed one and one-half (1 1/2%) percent of the amount financed.
 - (iii) Borrower shall execute and deliver to Lender prior to the Due Date a new Note and Security Instrument in form satisfactory to Lender which may include a further Lender's Call Option.
 - (iv) Borrower shall provide Lender with an ALTA loan policy as of the date the new Security Instrument is recorded, which policy insures the validity and first position of Lender's mortgage lien.
- (2) Under no circumstances shall Lender be obligated to refinance any accrued but unpaid interest or other funds due under either the Note or Security Instrument. Lender's obligation to refinance is limited solely to the unpaid principal balance as of the Due Date.
- (3) Lender shall not be obligated to refinance if Borrower is in default as of the date the Call Option is exercised, as of the Due Date, or as of any date in between.
- (4) Borrower may avail itself of its right to refinance by mailing a written notice thereof to Lender registered mail, return receipt requested, no later than thirty (30) days prior to the Due Date. Such notice shall be deemed given, on the date it is received by Lender. Borrower's delivery of such a notice shall constitute its acceptance of Lender's offer to refinance and Borrower's consent to the terms thereof.
- (5) Lender shall be under no obligation whatsoever to refinance if Borrower's Notice of Acceptance is not delivered timely.

IN WITNESS WHEREOF, Borrower has executed this Call Option Rider.

Douglas A. Bernardini (Seal)

Douglas A. Bernardini Borrower

Eileen E. Bernardini (Seal)

Eileen E. Bernardini Borrower

(Seal)

Borrower

(Seal)

Borrower

3981958