

ADDENDUM
(ILLINOIS)

HUD Project Number:
Project Name:

The following Section 43 is to be used for Illinois projects in place of Section 43 of the Security Instrument:

43. ACCELERATION; REMEDIES. If a Monetary Event of Default occurs and is continuing for a period of thirty (30) days, Lender, at Lender's option, may declare the Indebtedness to be immediately due and payable without further demand, and may ~~invoke the power of sale foreclose this instrument by judicial proceeding, or invoke the~~ power of sale (if permitted by applicable law) and exercise any other remedies permitted by applicable law or provided in this Security Instrument or in the Note. Following a Covenant Event of Default, Lender, at Lender's option, but so long as the Loan is insured or held by HUD, only after receipt of the prior written approval of HUD, may declare the Indebtedness to be immediately due and payable without further demand, and may ~~invoke the power of sale foreclose this instrument by judicial proceeding, or invoke the power of sale~~ (if permitted by applicable law) and exercise any other remedies permitted by applicable law or provided in this Security Instrument or in the Note. ~~Borrower acknowledges that the power of sale granted in this Security Instrument may be exercised by Lender without prior judicial hearing.~~ Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including reasonable attorneys' fees (including but not limited to appellate litigation), costs of documentary evidence, abstracts and title reports.

The following Sections 49 - 51 are to be inserted in the Security Instrument as additional provisions for Illinois projects:

49. MAXIMUM AMOUNT OF INDEBTEDNESS. Notwithstanding any provision to the contrary in this Security Instrument, the Note or any other Loan Document which permits any additional sums to be advanced on or after the date of this Instrument, whether as additional loans or for any payments authorized by this Security Instrument, the total amount of the principal component of the Indebtedness shall not at any time exceed _____ percent (____%) of the original principal amount of the Note set forth in the Security Instrument.

50. ILLINOIS COLLATERAL PROTECTION ACT. Unless Borrower provides Lender with evidence of the insurance coverage required by this Instrument, Lender may purchase insurance at Borrower's expense to protect Lender's interest in the Mortgaged Property. Pursuant to 815 ILCS § 180/10(3), this insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower may make or any claim that is made against Borrower in connection with the Mortgaged Property. Borrower may cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by this Instrument. If Lender purchases insurance for the Mortgaged Property, Borrower will be responsible for the costs of that insurance, including interest and any other charges that Lender may impose in connection with the placement of such insurance, until the effective date of the cancellation or expiration of such insurance. Without limitation of any other provision of this Instrument, the cost of such insurance shall be added to the cost of the Indebtedness secured hereby. The cost of such insurance may be more than the cost of insurance Borrower may be able to obtain on its own.

51. INTEREST RATE. Interest Rate specified in the Note is _____ percent (___%) per annum.

THE SECURITY INSTRUMENT SHALL BE PREPARED TO CONFORM TO THE REQUIREMENTS OF THE LOCAL FILING JURISDICTION IN WHICH THE DOCUMENT IS TO BE RECORDED AND FILED.