

M O R T G A G E



THIS MORTGAGE (Security Instrument) is given on September 7th, 2000 between ZUBEDA M. MUNSHI, divorced and not since remarried, as MORTGAGOR, and BASHIR M. KAGDA as MORTGAGEE. Mortgagor owes Mortgagee the principal sum of ONE HUNDRED FORTY THOUSAND AND 00/100 DOLLARS (U.S. \$140,000.00) This debt

is evidenced by one Installment Note bearing even date herewith which provides for monthly payments with the full debt, if not paid earlier, due and payable on May 1st, 2005. The Mortgagor hereby mortgages, grants and conveys to the Mortgagee the following described property located in Cook County, Illinois and legally described as:

LOT 19 IN BLOCK 1 IN ELLIS AND MORRIS 2ND ADDITION TO NORTH EDGEWATER IN THE NORTH 1/2 OF THE EAST 1/2 OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Real Estate Index Number: 17-01-205-014-0000

Address of Real Estate: 6311 North Maplewood Avenue, Chicago, Illinois 60659

Together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and 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.

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

P.N.T.N.

Mortgagor and Mortgagee covenant and agree as follows:

A) Mortgagor shall pay before any penalty attaches all general taxes and shall pay special assessments, water charges, sewer charges, sewer service charges and other charges against the premiss when due and shall upon written request, furnish to the Mortgagee duplicate receipts thereafter. Mortgagee may, at Mortgagee's option, obtain coverage to protect Mortgagee's interest in the property at Mortgagor's expense if Mortgagee is of the information and belief that Mortgagee's interest is not sufficiently protected by adequate insurance.

B) Mortgagor shall keep all buildings and improvements now or hereafter on said premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the Mortgagee, under insurance policies payable, in case of loss or damage to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies to Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten (10) days prior to the respective dates of expiration.

C) The Note secured by this Mortgage provides for acceleration of the maturity date upon sale, conveyance, or transfer of any interest in the premises and such provisions are by reference incorporated herein.

D) Except as hereinafter permitted, any sale, conveyance, or transfer of any right, title or interest, including the equity of redemption, in the premises described in the Mortgage which secures the indebtedness evidenced hereby or any portion thereof,

without the prior written approval of the Note Holder, shall constitute a default hereunder on account of which the Note Holder may declare the entire indebtedness evidenced by this Note to be immediately due and payable. The foregoing notwithstanding, the following shall be permitted:

- D - (a) The creation of lien encumbrance securing any subsequent indebtedness so long as such subsequent partial assignment is subordinate to the security of this Note.
- D - (b) The creation of a purchase money security interest for appliances or tenant fixtures.
- D - (c) A transfer by devise, descent, or by operation of law upon the death of a joint beneficiary, or
- D - (d) The grant of any leasehold interest of three (3) years or less not containing an option to purchase.

E) If the Note Holder exercises such option to accelerate, he shall mail to Mortgagor notice of acceleration which shall provide a period of not less than ninety (90) days from the date notice is mailed within Mortgagor may pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, then Mortgagee may, without further notice or demand on Mortgagor, may invoke any remedies permitted hereunder and in the documents evidencing the collateral securing this indebtedness.

F) MORTGAGOR will be in default if any of the following happens: (a) Failure to make any payment when due. (b) Break any promise made to Mortgagee, or fail to perform promptly at the time and strictly in the manner provided in this Note or any agreement related to this Note.

G) Upon default, Mortgagee may declare the entire unpaid principal balance immediately due. Mortgagee may hire or pay someone else to help collect this Note if MORTGAGOR does not pay. MORTGAGOR will pay, subject to any limits under applicable law, Mortgagee's attorney's fees and legal expenses whether or not there is a lawsuit, including attorney's fees and legal expenses whether or not there is a lawsuit, including attorney's fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay of injunction); appeals, and any anticipated post-judgment collection services.

H) If not prohibited by applicable law, MORTGAGOR will also pay any court costs, in addition to all other sums provided by law. THIS NOTE HAS BEEN DELIVERED TO MORTGAGEE AND ACCEPTED IN THE STATE OF ILLINOIS. IF THERE IS A LAWSUIT, MORTGAGOR AGREE UPON MORTGAGEE'S REQUEST TO SUBMIT TO THE JURISDICTION OF THE COURTS OF COOK COUNTY, THE STATE OF ILLINOIS. MORTGAGEE AND MORTGAGOR HEREBY WAIVE THE RIGHT TO ANY JURY TRIAL IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY. THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS.

(SEAL)

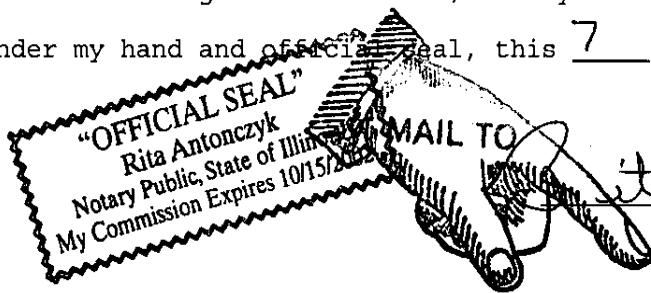
Zubeda M. Munshi

(SEAL)

ZUBEDA M. MUNSHI

State of Illinois, County of Cook SS. I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that ZUBEDA M. MUNSHI, divorced and not since remarried, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she signed, sealed and delivered the said instrument as her free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead, if any.

Given under my hand and official seal, this 7 day of September, 2000.



Rita Antonczyk
NOTARY PUBLIC

THIS INSTRUMENT WAS PREPARED BY:

MAIL TO:

MANUEL J. DE PARA & ASSOCIATES
134 N. La Salle Street, Suite 2126
Chicago, IL 60602 - 312/641-1344

BASHIR M. KAGDA
3750 W. Devon Avenue
Lincolnwood, IL 60712

THE COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON PAGE 2.

1. Mortgagors shall (1) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (2) keep said premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien thereof; (3) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Mortgagee; (4) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (5) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof; (6) make no material alterations in said premises except as required by law or municipal ordinance.
2. Mortgagors shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to the Mortgagee duplicate receipts therefor. To prevent default hereunder Mortgagors shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagors may desire to contest.
3. In the event of the enactment after this date of any law of Illinois deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagors, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the mortgagee's interest in the property, or the manner of collection of taxes, so as to affect this mortgage or the debt secured hereby or the holder thereof, then and in any such event, the Mortgagors, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagors to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Mortgagee may elect, by notice in writing given to Mortgagors, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.
4. If, by the laws of the United States of America or of any state having jurisdiction in the premises, any tax is due or becomes due in respect of the issuance of the note hereby secured, the Mortgagors covenant and agree to pay such tax in the manner required by any such law. The Mortgagors further covenant to hold harmless and agree to indemnify the Mortgagee, and the Mortgagee's successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the note secured hereby.
5. At such time as the Mortgagors are not in default either under the terms of the note secured hereby or under the terms of this mortgage, the Mortgagors shall have such privilege of making prepayments on the principal of said note (in addition to the required payments) as may be provided in said note.
6. Mortgagors shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the Mortgagee, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to the Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.
7. In case of default therein, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagors in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other moneys advanced by Mortgagee to protect the mortgaged premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the highest rate now permitted by Illinois law. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to the Mortgagee on account of any default hereunder on the part of the Mortgagors.
8. The Mortgagee making any payment hereby authorized relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.
9. Mortgagors shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof. At the option of the Mortgagee and without notice to Mortgagors, all unpaid indebtedness secured by this mortgage shall, notwithstanding anything in the note or in this mortgage to the contrary, become due and payable (a) immediately in the case of default in making payment of any installment of principal or interest on the note, or (b) when default shall occur and continue for three days in the performance of any other agreement of the Mortgagors herein contained.
10. When the indebtedness hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches, and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the highest rate now permitted by Illinois law, when paid or incurred by Mortgagee in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which the Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this mortgage or any indebtedness hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense of any actual or threatened suit or proceeding which might affect the premises or the security hereof.

UNOFFICIAL COPY

11. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the note; fourth, any overplus to Mortgagors, their heirs, legal representatives or assigns, as their rights may appear.

12. Upon or any time after the filing of a complaint to foreclose this mortgage the court in which such complaint is filed may appoint receiver of said premises. Such appointment may be made either before or after the sale, without notice, without regard to the solvency or insolvency of Mortgagors at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not, and the Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagors, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (1) The indebtedness secured hereby, or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

13. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the note hereby secured.

14. The Mortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

~~15. The Mortgagors shall periodically deposit with the Mortgagee such sums as the Mortgagee may reasonably require for payment of taxes and assessments on the premises. No such deposit shall bear any interest.~~ *BM/BJP*

16. If the payment of said indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in said premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation or release.

17. Mortgagee shall release this mortgage and lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment of a reasonable fee to Mortgagee for the execution of such release.

18. This mortgage and all provisions hereof, shall extend to and be binding upon Mortgagors and all persons claiming under or through Mortgagors, and the word "Mortgagors" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the note or this mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein and the holder or holders, from time to time, of the note secured hereby.

00937107