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Doc#: 0328327220
Eugene "Gene" Moore Fee: \$34.50
Cook County Recorder of Deeds
Date: 10/10/2003 04:53 PM Pg: 1 of 6

AFTER RECORDING MAIL TO:
David H. Locks
5901 N. Cicero Ave., Ste. 401
Chicago, IL 60646

Prepared by:

David H. Locks
5901 N. Cicero Ave., Ste. 401
Chicago, IL 60646

State of Illinois
County of Cook

SECOND MORTGAGE

THIS SECOND MORTGAGE ("Security Instrument") is given on August 25, 2003. The Mortgagor is:

ATIF BESLAGIC and ZERINA BESLAGIC, husband and wife
4046 N. Austin Ave.
Chicago, IL 60634

THE PROPERTY SUBJECT TO THIS MORTGAGE IS HOMESTEAD PROPERTY. This Security Instrument is given to NIDAL JARAD, ABDEL HAMMAD, JAMAL JARAD, SAMIR JARAD and OMAR JARAD (hereinafter called "LENDER") c/o David H. Locks, 5901 N. Cicero Ave., Ste. 401, Chicago, IL 60646 as security for payment of rent under a commercial lease for the premises known as 3243-3253 W. Lawrence Avenue, Chicago, IL 60625. For this purpose Mortgagor does hereby mortgage, grant and convey to Lender the following described Homestead property located in Cook County, Illinois to wit:

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THE NORTH 30 FEET OF LOT 7 IN W. H. ELDRED'S BOULEVARD SUBDIVISION, BEING A SUBDIVISION OF THE EAST ½ OF THE EAST ½ OF THE SOUTHEAST ¼ OF THE SOUTHWEST ¼ OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (SOUTH OF THE INDIAN BOUNDARY LINE) ALL IN COOK COUNTY, ILLINOIS.

c/k/a 4046 N. Austin, Chicago, IL 60634-1604 ("Property Address").

PIN #13-17-317-019-0000

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 Mortgagor 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. Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

Mortgagor and Lender covenant and agree as follows:

1. **Payment of Debt.** Mortgagor shall cause rent to be paid under terms of the lease described herein.

2. The Lease is for period commencing September 1, 1997 and extends through August 31 2007. The Lessor is David Kwang Yul Lee. The premises leased are first floor and basement of 3243-3253 W. Lawrence in Chicago, Illinois. Mortgagors have a copy of the lease. The rental on balance of the lease is

\$4,900.00 9-1-03 to 8-31-04

\$5,000.00 9-1-04 to 8-31-05

\$5,100.00 9-1-05 to 8-31-06

\$5,200.00 9-1-06 to 8-31-07

The total potential liability for NIDAL JARAD, also named as a Lessee together with Worldwide Furniture, Inc. on the lease is therefore \$242,000.00

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3. Mortgagor shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Mortgagor shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall include loss payable clauses in favor of and in a form acceptable to Lender.

In the event of loss, Mortgagor shall give Lender immediate notice to David H. Locks. Lender may make proof of loss if not made promptly by Mortgagor. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Mortgagor and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note, First Mortgage and Security Instrument. Any application of the proceeds to the principal shall not extend or postpone the due date of the payment or change the amount of such payment. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note, First Mortgage and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Mortgagor in and to insurance policies in force shall pass to the purchaser.

4. **Charges to Mortgagor and Protection of Lender's Rights in the Property.** Borrower shall pay all governmental or municipal charges, fines and impositions. Mortgagor shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Mortgagor shall promptly furnish to Lender receipts evidencing these payments.

If Mortgagor fails to make the payment or fails to perform any other 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, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned herein.

Any amounts disbursed by Lender under this paragraph shall become an additional debt of Mortgagor and be secured by this Security Instrument. These amounts shall bear no interest.

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Mortgagor shall promptly discharge any lien which has priority over this Security Instrument unless Mortgagor: (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 (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 Mortgagor a notice identifying the lien. Mortgagor shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Grounds for Acceleration of Debt.

- a) **Default.** Default under the first mortgage is a default under the second mortgage.
- b) **Violation of the COVENANTS** under this mortgage is a default.

6. **Mortgagor Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Mortgagor shall not operate to release the liability of Mortgagor's successor 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.

7. **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 Mortgagor. Mortgagor's covenants and agreements shall be joint and several.

8. **Notices.** Any notice to Mortgagor provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail. The notice shall be directed to ZERINA BESLAGIC and ATIF BESLAGIC at 4046 N. Austin, Chicago, IL 60634. Any notice to Lender shall be given by first class mail to Lender c/o David H. Locks, 5901 N. Cicero Ave., Ste. 401, Chicago, IL 60646 or any address Lender designates by notice to Mortgagor. Any notice provided for in this Security Instrument shall be deemed to have been given to Mortgagor or Lender when given as provided in this paragraph.

9. **Governing Law; Severability.** This Security Instrument shall be governed by 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.

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A.B.

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10. **Mortgagor's Copy.** Mortgagor shall be given one copy of the Note and Security Instrument.

11. **Hazardous Substances.** Mortgagor 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 business uses and to maintenance of the Property.

Mortgagor 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 Mortgagor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Mortgagor shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph "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, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

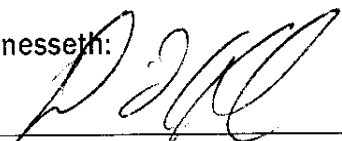
12. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Mortgagor.

13. **Waiver of Homestead.** Mortgagors waive all right of homestead exemption in the property subject of this mortgage.

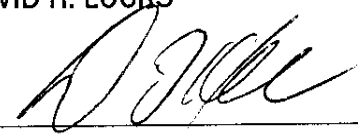
14. The singular ("Lender" and "Mortgagor") has been used throughout this instrument and refers to the plural when the context requires.

BY SIGNING BELOW, Mortgagor accepts and agrees to the terms contained in this Security Instrument.

Witnesseth:



DAVID H. LOCKS



DAVID H. LOCKS



ZERINA BESLAGIC, Borrower (Seal)



ATIF BESLAGIC, Borrower (Seal)

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STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

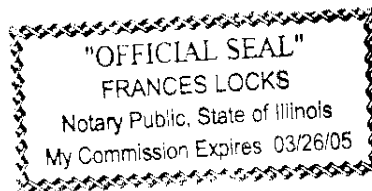
I, Frances Locks, a Notary Public in and for said county and state does hereby certify that Zerina Beslagic and Atif Beslagic personally known to me to be the same persons whose names subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and 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 25th day of August, 2003.

My Commission Expires: 3/26/05

Frances Locks

Notary Public



Property of Cook County Clerk's Office