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JUNIOR MORTGAGE



Doc#: 0414639139
Eugene "Gene" Moore Fee: \$38.50
Cook County Recorder of Deeds
Date: 05/25/2004 01:24 PM Pg: 1 of 8

THIS SECOND MORTGAGE made
this 26th day of November, 2003, by
HAMED SELEMAN married to
IMAN SELEMAN, (the "Mortgagors")
for the benefit of A SAMI M. RAGEB,
(the "Mortgagee"),

FOR RECORDERS USE ONLY

WITNESSETH:

The Mortgagor and the Mortgagee have entered into a promissory note dated November 26, 2003 under which the Mortgagor is indebted to the Mortgagee (the "Agreement").

GRANTING CLAUSES

NOW, THEREFORE, to secure the payment of the indebtedness evidenced by the Agreement, and to secure payment of all other sums which may be at any time due and owing to the Mortgagee or its successors and assigns under this Mortgage (herein referred to collectively as the "Indebtedness Hereby Secured"); and to secure the performance and observance of all the covenants, agreements and provisions contained in the Agreement and this Mortgage and to charge the properties, interests and rights hereinafter described with such payment, performance and observance, and for other valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the Mortgagor has mortgaged, granted, bargained, sold, conveyed, assigned, transferred, pledged and set over and DOES HEREBY MORTGAGE, GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, PLEDGE AND SET OVER unto the Mortgagee, its successors and assigns forever, the following described property, rights and interests located in Cook County, Illinois:

INSERT ATTACHED RIDER

Address of Property: 3553 W. Irving Park, Road, Chicago, Illinois 60618
Permanent Real Estate Index No.: 13-23-200-003-0000

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TOGETHER WITH all improvements now or hereafter erected on the property, and all easements, rights, appurtenants, rents, royalties, mineral, oil and gas rights and profits, water, water rights and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a party of the property covered by this mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property."

UPON CONDITION that, subject to the terms hereof and until the occurrence of an Event of Default hereunder, the Mortgagor shall be permitted to possess and use the Premises;

MORTGAGOR COVENANTS that Mortgagor is lawfully seized of the Property and has the right to mortgage, grant and convey the Property, that the Property is unencumbered except for a mortgage to Charter One Bank (as hereinafter defined) and the Mortgagor will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagee's interest in the Property.

SUBJECT to the covenants and conditions hereinafter set forth.

PROVIDED, NEVERTHELESS, that if the Mortgagor shall pay in full when due the Indebtedness Hereby Secured and shall duly and timely perform and observe all of the covenants and conditions herein required to be performed and observed by the Mortgagor, then the Mortgagee shall execute and deliver to the Mortgagor such instruments as may be reasonably requested by the Mortgagor which are sufficient to release this Mortgage.

THE MORTGAGOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

SECTION 1

Payment of Indebtedness; Performance of Covenants, Maintenance, Repair, Compliance with Law, Use, Etc.

The Mortgagor shall (a) pay the Indebtedness Hereby Secured when due in accordance with the terms of the Agreement; (b) pay all operating costs and expenses of the Property when due; (c) comply with all legal requirements applicable to all or any portion of the Property, or the use and occupancy thereof, and observe and comply with any conditions and requirements necessary to preserve and extend any and all rights, licenses, permits, privileges, franchises and concessions that are applicable to all or any portion of the Property or the use and occupancy thereof; and (d) refrain from any action and correct any condition known to the Mortgagor or which would materially increase the risk of fire or other hazard to the Property or any portion thereof.

SECTION 2

Liens, Contest and Defense of Title

The Mortgagor shall not create or suffer or permit any lien, charge or encumbrance to attach to or be filed against the Property or any part thereof, or interest thereon, whether such lien, charge or encumbrance is on a parity, inferior or superior to the lien of this Mortgage, including but not limited to liens for labor or materials with respect to the Property ("Mechanic's Liens"), except for the lien of an existing mortgage to Charter One Bank, recorded in Cook County, Illinois (the "First Mortgage"), which secures indebtedness not in excess of \$914,000.

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SECTION 3 Payment and Contest of Taxes

The Mortgagor shall pay or cause to be paid when due and before any penalty attaches, all general and special taxes, assessments, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever levied or assessed against the Property, or any part thereof ("Taxes"), on or before the date such Taxes are due; and the Mortgagor shall discharge any claim or lien relating to Taxes upon the Property. The Mortgagor shall provide the Mortgagee with copies of paid receipts for Taxes within thirty (30) days after the due dates thereof if so requested by Mortgagee.

SECTION 4 Insurance Coverage

The Mortgagor, at its sole expense, shall continuously maintain in force the following described policies of insurance (the "Insurance Policies") with respect to the Property: Fire and extended coverage casualty insurance in an amount of not less than Four Hundred Thousand Dollars (\$400,000).

SECTION 5 Casualty Insurance Proceeds, Condemnation and Eminent Domain

(a) Any and all awards (the "Awards") made to the Mortgagor by any governmental authority for the taking, by condemnation or eminent domain, of all or any part of the Property, and the proceeds of any insurance by reason of casualty or other damage to the Property (the "Insurance Proceeds") are hereby assigned by the Mortgagor to the Mortgagee, which Awards and Insurance Proceeds the Mortgagee is hereby authorized to collect and receive, subject to the provisions of the First Mortgage.

(b) All Awards and Insurance Proceeds received by the Mortgagee shall, after payment or reimbursement therefrom of all reasonable costs, and expenses (including without limitation reasonable attorneys' fees and expenses) incurred by the Mortgagee in the adjustment and collection thereof (the "Net Proceeds"), shall be applied to prepayment of the Indebtedness Hereby Secured, whether then due or not.

SECTION 6 Mortgagee's Performance of Mortgagor's Obligations

Upon occurrence of an Event of Default, and expiration of any applicable cure periods, the Mortgagee may, but without any obligation to do so, make any payment or perform any act which the Mortgagor is required to make or perform hereunder in any form and lawful manner deemed expedient to the Mortgagee, and to take any action which the Mortgagee deems necessary or desirable in connection therewith at the cost and expense of the Mortgagor. All monies paid, and all reasonable expenses paid or incurred in connection therewith, including but not limited to attorneys' fees, shall be so much additional Indebtedness Hereby Secured, and shall become immediately due and payable on demand, and with interest thereon at the Default Rate. Nothing contained herein shall be construed to require the Mortgagee to advance or expend monies for any purpose mentioned herein, or for any other purpose.

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SECTION 7 Restrictions on Transfer

For the purpose of protecting Mortgagee's security, and keeping the Property free from subordinate financing liens, Mortgagor agrees that it will not:

- (a) sell, assign, transfer, hypothecate, grant a security interest in or convey title to the Property;
- (b) obtain any financing, all or a part of which, will be secured by the Property;

without payment in full of the unpaid principal balance and accrued interest constituting the Indebtedness Hereby Secured, and upon the happening of any such event without the written consent of the Mortgagee shall be an Event of Default hereunder.

SECTION 8 Events of Default, Remedies

(a) Any one or more of the following events shall constitute an "Event of Default" under this Mortgage:

- (i) If any payment on the Agreement secured by this Mortgage is not received by the Mortgagee when due in accordance with the terms of the Agreement; or
- (ii) If a prohibited transfer shall occur as set forth in Section 7 hereof; or
- (iii) If a proceeding is instituted seeking a decree or order for relief in respect of the Mortgagor in any case under the Federal bankruptcy laws; or
- (iv) If any default shall occur in the due and punctual performance of, or compliance with any of the terms, covenants, conditions or agreements contained herein, other than as described in the preceding clauses (i) and (ii), and the continuance of such default for thirty (30) days after notice thereof shall be given to the Mortgagor by the Mortgagee; or
- (v) a foreclosure proceeding is commenced under the First Mortgage and is not dismissed within sixty (60) days thereafter.

(b) Upon the occurrence of any Event of Default hereunder the Mortgagee is hereby authorized and empowered, at its option and without affecting the lien hereby created or the priority of said lien or any other right of the Mortgagee hereunder to do any or all of the following without notice to or demand upon the Mortgagor or any party liable for the obligations secured hereby or having an interest in the Property (except as otherwise specifically required herein or by law):

- (i) To declare, without further notice, all Indebtedness Hereby Secured to be immediately due and payable with interest thereon at the Default Rate;
- (ii) To commence a judicial action to foreclose this Mortgage;

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(iii) To exercise any right, power or remedy provided by this Mortgage or the Agreement or by law or in equity or by any other document or instrument regulating, evidencing, securing or guarantying any of the Indebtedness Secured Hereby.

SECTION 9 Foreclosure

(a) The Mortgagee may bring an action in any court of competent jurisdiction to foreclose this Mortgage or to enforce any of the covenants and agreements hereof or in the Agreement.

(b) In any proceeding for the foreclosure of the lien hereof, there shall be allowed and included as additional Indebtedness Hereby Secured, all reasonable expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee.

(c) The Mortgagee shall have the right to become the purchaser at any sale of the Property hereunder and shall have the right to have credited on the amount of its bid therefor all (or any part of) of the Indebtedness Hereby Secured held by it as of the date of such sale.

(d) In case any proceeding taken by the Mortgagee on account of any failure to perform under this Mortgage shall have been discontinued or determined adversely to the Mortgagee, then in every case the Mortgagor and the Mortgagee shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Mortgagor and the Mortgagee shall continue as though no such proceeding had been taken, provided, however, nothing contained herein shall be deemed to release any claims Mortgagor may have against Mortgagee.

SECTION 10 Proceeds of Sale

The proceeds of any foreclosure of the Property, or any portion thereof, shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure or other proceedings for the recovery thereof, including all such items as are mentioned in Section 10 hereof; Second, to the payment and performance of any other obligations of the Mortgagor secured hereby, including without limitation all other items which, under the terms hereof, constitute Indebtedness Hereby Secured in addition to that evidenced by the Agreement, with interest thereon at the Default Rate in such order and manner as the Mortgagee shall determine; Third, to the unpaid Principal Amount; and Fourth, any balance remaining to the Mortgagor.

SECTION 11 Waiver of Right of Redemption and Other Rights

To the fullest extent permitted by law, the Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any advantage of, any stay, exemption or extension law or any so called "Moratorium Law" now or at any time hereafter in force, nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation, appraisal or marshaling of the Property, or any part thereof, prior to any sale or sales thereof to be made pursuant to any

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provisions herein contained, or to any decree, judgment or order of any court of competent jurisdiction; or after such sale or sales claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshaling thereof, upon foreclosure sale or other enforcement hereof. To the fullest extent permitted by law, the Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under the Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of the Mortgagor and of all other persons are and shall be deemed to be hereby waived to the fullest extent permitted by applicable law. The Mortgagor hereby fully and absolutely waives and releases all rights and claims the Mortgagor may have in and to the Property as a homestead exemption or other exemption under and by virtue of any act of the State of Illinois now existing or which may hereafter be passed in relation thereto.

SECTION 12 Rights Cumulative

(a) Each right, power and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter provided by law or in equity, and each and every right, power, and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee.

(b) No waiver or modification of any of the terms of this Mortgage shall be binding on the Mortgagee unless set forth in writing signed by the Mortgagee and any such waiver by the Mortgagee of any Event of Default by the Mortgagor under this Mortgage shall not constitute a waiver of any other Event of Default under the same or any other provision hereof.

(c) The exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any Event of Default or acquiescence therein.

SECTION 13 Successors and Assigns

(a) This Mortgage and each and every provision hereof shall be binding upon the Mortgagor and its successors and assigns (including, without limitation, each and every record owner from time to time of the Property or any other person having an interest therein), and shall inure to the benefit of the Mortgagee and its respective successors and assigns.

(b) All of the covenants of this Mortgage shall run with the Land and be binding on any successor owners of the Land. In the event that the ownership of the Property or any portion thereof becomes vested in a person or persons other than the Mortgagor, the Mortgagee may, without notice to the Mortgagor, deal with such successor or successors in interest of the Mortgagor with reference to this Mortgage and the Indebtedness Hereby Secured in the same manner as with the Mortgagor without in any way releasing or discharging the Mortgagor from its obligations hereunder. The Mortgagor will give immediate written notice to the Mortgagee of any conveyance, transfer or change of ownership of the Property, but nothing in this Section shall vary or negate the provisions of Section 7 hereof.

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(c) No successor to the rights, titles, interests, duties, discretions and options of the Mortgagee hereunder have any liability for any acts or omissions of any prior mortgagee.

SECTION 14

Interpretation of Agreement

Should any provision of this Mortgage require interpretation or construction in any judicial, administrative, or other proceeding or circumstance, it is agreed that the parties hereto intend that the court, administrative body, or other entity interpreting or construing the same shall not apply a presumption that the provisions hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that the agents of both parties hereto have fully participated in the preparation of all provisions of this Mortgage, including, without limitation, all Exhibits attached to this Mortgage.

SECTION 15

Governing Law; Invalidity of Certain Provisions

(a) This Mortgage shall be construed and enforced according to the laws of the State of Illinois, without reference to the conflicts of law principles of that State.

(b) The whole or partial invalidity, illegality or unenforceability of any provision hereof at any time, whether under the terms of then applicable law or otherwise, shall not affect (i) in the case of partial invalidity, illegality or unenforceability, the validity, legality or enforceability of such provision at such time except to the extent of such partial invalidity, illegality or unenforceability; or (ii) the validity, legality or enforceability of such provision at any other time or of any other provision hereof at that or any other time.

SECTION 16

Time is of the Essence

Time is of the essence of this Mortgage and the Agreement.

SECTION 17

Captions and Pronouns

The captions and headings of the various Sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and the masculine, feminine and neuter shall be freely interchangeable.

SECTION 18

Notices

Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for

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acceptance) or on the third (3rd) Business Day after being deposited in United States registered or certified mail, postage prepaid. Any such notice, demand or other communication shall be addressed to a party at its address set forth below or to such other address the party to receive such notice may have designated to all other parties by notice in accordance herewith:

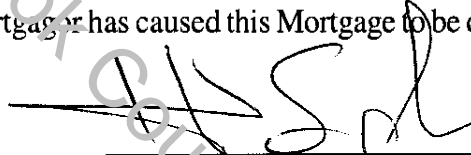
If to the Mortgagor: HAMED SELEMAN
3553 W. Irving Park Road
Chicago, Illinois 60618

If to the Mortgagee: A SAMI M. RAGEB
3542 Sunset Lane
Franklin Park, Illinois 60131

SECTION 19
Costs and Expenses

In the event any legal proceedings are instituted by Mortgagee to enforce the provisions of this Mortgage, it shall be entitled to recover its costs and expenses, including reasonable attorneys' fees.

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be duly executed and delivered as of the day and year first above written.

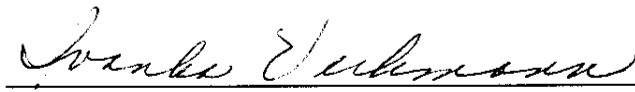


HAMED SELEMAN

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that HAMED SELEMAN personally known to me to be the same person whose names 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 own free and voluntary act for the uses and purposes herein set forth.

GIVEN under my hand and seal this 26th day of November, 2003.



Notary Public



PREPARED BY AND AFTER
RECORDING RETURN TO:
Joseph Shun Ravago
Attorney at Law
5757 N. Lincoln Ave., Suite 19
Chicago, Illinois 60659