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MORTGAGE.



Doc#: 0428719139
Eugene "Gene" Moore Fee: \$40.00
Cook County Recorder of Deeds
Date: 10/13/2004 02:35 PM Pg: 1 of 9

FOR RECORDER'S USE ONLY

THIS MORTGAGE ("Security Agreement") is given on June 24, 2004. The mortgagor(s) is (are) Daniel Herlo and Janet Herlo, husband and wife, ("Borrower"), whose address is 8035 W. Davis St., Niles, IL 60714. This security instrument is given to Nick Jadidi, whose address is 3106 Nina, Wilmette, Illinois ("Lender"). Borrower(s) owe(s) Lender the principal sum of Ten Dollars or such other amount as evidenced

by Borrower(s)' Note dated the same date as this Security Instrument ("Note"), which provides for payment, with the full debt. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note and all renewals, extensions and modifications of the Note; (b) the payment of all other sums advanced under paragraph 7 to protect the security of this Security instrument; and (c) the performance of the Borrower(s)' covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower(s) does hereby mortgage, grant and convey to Lender the following described Property located in Cook County, Illinois:

4341740

(SEE ATTACHED LEGAL DESCRIPTION)

which has the address of 6906-12 N. Lakewood Ave., Chicago, Illinois ("Property Address").

TOGETHER WITH all 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."

BORROWER(S) COVENANTS that the Borrower(s) is/are lawfully seized of the estate hereby conveyed and ha/ve/s the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for the encumbrances of record. Borrower(s) warrants and will defend generally the title to the Property against all claims and demands subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform Security Instrument covering real property.

UNIFORM COVENANTS Borrower(s) and Lender agree as follows:

1. Payment of principal and Additional Sum

Borrower(s) shall promptly pay when due the principal on the debt evidenced by the Note and the Additional Sum due under the Note.

2. Intentionally omitted.

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3. Application of Payments

Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to the Additional Sum and second, to principal due under the Note.

4. Charges, Liens

Borrower(s) shall pay all taxes, assessments, charges, fines and Impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower(s) shall pay these obligations on time directly to the person owed the payment. Borrower(s) shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower(s) makes these payments directly, Borrower(s) shall promptly furnish to Lender receipts evidencing payments.

Except for the existing first mortgage of record, which Lender acknowledges has priority over this instrument in its terms and conditions, Borrower(s) shall promptly discharge any lien which has priority over this Security Instrument unless Borrower(s) (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender (this is a junior mortgage and no condition of default shall be created by the existence of a preexisting mortgage), (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 Borrower(s) a notice identifying the lien. Borrower(s) shall satisfy the lien or take one or more of the actions set forth above within ten (10) days of the giving of notice;

5. Hazard or Property Insurance

Borrower(s) shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower(s) subject to Lender's approval which shall not be unreasonably withheld. If Borrower(s) fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be reasonably 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(s) shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower(s) shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower(s).

Unless Lender and Borrower(s) agree in writing insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is 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(s) abandon(s) the Property, or does not answer within thirty (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 proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The thirty (30) day period will begin when the notice is given.

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Unless Lender and Borrower(s) 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 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrowers' 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 Instrument immediately prior to the acquisition.

6. **Occupancy, Preservation, Maintenance and Protection of the Property;**

Borrower's Loan Application; Leaseholds

Borrower(s) shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall 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 reinstate, 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(s) shall also be in default if Borrower 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. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower(s) acquire(s) fee title to the Property the leasehold and the fee title shall not merge unless Lender agrees to the merge in writing.

7. **Protection of Lender's Rights in the Property**

If Borrower(s) fail(s) 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 attorney's fees and entering on the Property to make repairs. Although Lender may take action 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(s) 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, on notice from Lender to Borrower requesting payment.

8. **Intentionally omitted.**

9. **Inspection**

Lender or its agent may make reasonable entries upon inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

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10. Condemnation

The proceeds of any award or claim for damages, direct or consequential in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assumed 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 pad to Borrower. In 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 sum, as secured by this Security Instrument immediately before the taking, unless Borrower(s) and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amounts 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(s). In the event of a partial taking of the Property in which the fair market value of the Property immediately before then taking is less than the amount of the sums secured immediately before the taking, unless Borrower(s) 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(s) or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower(s) fail(s) to respond to Lender within thirty (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(s) 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 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(s) shall not operate to release the liability of the original Borrower(s) 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(s) 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(s). 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 (a) co-signing 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 accommodation with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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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 is that the Additional Sums 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; (b) any sums already collected from Borrower(s) 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(s). 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 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 is sold or transferred (or if a beneficial interest in Borrower(s) is sold or transferred and Borrower(s) is/are not a natural person), without Lender's 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(s) notice of acceleration. This notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which Borrower(s) 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 upon notice or demand on Borrower.

The above stated restriction on transfer shall not apply to the conveyance of individual condominium units at the subject property, for which Lender shall provide releases as required by Borrower as a condition of the conveyance of said units.

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18. Borrower's Right to Reinstate ,

If Borrower(s) meets certain conditions, Borrower(s) shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of (a) five (5) days (or such other period as applicable law may specify for reinstatement) before sale of 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(s): (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 or 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. Intentionally omitted.

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 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 'ides and herbicides, volatile solvents materials containing asbestos or formaldehyde and radioactive materials. As used in this Paragraph 20, "Environmental Law" means federal law or laws f 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(s) prior to the acceleration under paragraph 17 (unless applicable law provides otherwise). The notice shall specify: (a) default; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is given to Borrower(s), 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(s) of the right to reinstate after acceleration and the right to

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assert in the foreclosure preceding the non-existence of a default or any other defense of Borrower(s) 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 the 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

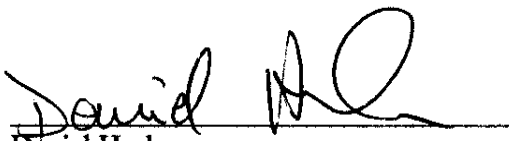
Except as otherwise provided herein, upon payment of all sums secured by this Security Instrument, Lender shall, release this Security Instrument without charge to Borrower(s). Borrower(s) shall pay any recordation fee.

23. Waiver of Homestead

Borrower(s) waives all right of homestead exemption in the Property.

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

Witnesses:


Daniel Herlo


Janet Herlo

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STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for said county and State, do hereby certify that, Daniel Herlo and Janet Herlo, personally known to me to the same person(s) whose name(s) is(are) subscribed to the foregoing Instrument, appeared before me this day, in person, and acknowledged that they signed and delivered the said Instrument as his or her free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal, this 8th day of Oct. 2004

My Commission Expires:



Marty DeRein

Notary Public

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LEGAL DESCRIPTION

LOTS 5 AND 6 IN BLOCK 2 IN L.E. INGALL'S SUBDIVISION OF BLOCK 5 AND 6 IN THE CIRCUIT COURT PARTITION, BEING A SUBDIVISION OF THE EAST ½ OF THE NORTHWEST ¼ OF THE NORTHEAST FRACTIONAL ¼ OF SECTION 32, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 11-32-~~1~~118-016-0000

Property of Cook County Clerk's Office