

# UNOFFICIAL COPY

99610731

5920/0118 67 001 Page 1 of 20  
1999-06-24 12:39:08  
Cook County Recorder 59.50



99610731

[Space Above This Line For Recording Data]

## MORTGAGE

20  
KG

THIS MORTGAGE ("Security Instrument") is given on March 16,  
 19 99. The mortgagor is Emily Dahmouni, ~~single woman~~ and Driss Dahmouni,  
wife and husband ("Borrower"). This Security Instrument is given to Credit  
Lyonnais, New York Branch, which is organized and existing  
 under the laws of New York, and whose address is 1301 Avenue of  
the Americas, New York, New York 10019 ("Lender").  
 Borrower owes Lender the principal sum of One Hundred Thirty Five Thousand and  
no cents Dollar (U.S. \$ 135,000.00). This debt is evidenced by Borrower's note  
 dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not  
 paid earlier, due and payable on April 15, 2015. This Security Instrument  
 secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and  
 modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security  
 of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument  
 and the Note. For this purpose, Borrower does hereby mortgage grant and convey to Lender the following described prop-  
 erty located in COOK County, Illinois:

## PROFESSIONAL NATIONAL TITLE NETWORK, INC.

which has the address of 3150 North Sheridan Road, Unit 25B, Chicago,  
 [Street] [City]  
 Illinois 60657 ("Property Address");  
 [Zip Code]

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."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage,  
 grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower 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.

# UNOFFICIAL COPY

## 99610731

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

**2. Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

**4. Charges; Liens.** Borrower 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 shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

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

**5. Hazard or Property Insurance.** Borrower 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 subject to Lender's approval which shall not be unreasonably withheld. If Borrower 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 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 shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise 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 abandons the Property, or does not answer within 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 the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower 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 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's 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 shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower 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 shall also be in default if Borrower, during the loan application process, 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, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**7. Protection of Lender's Rights in the Property.** If Borrower fails 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 attorneys' 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 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, upon notice from Lender to Borrower requesting payment.

**8. Mortgage Insurance.** If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.



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

**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 assigned 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 excess paid to Borrower. In the 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 sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower 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, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 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 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 and 2 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 shall not operate to release the liability of the original Borrower 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 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, 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 co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of 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 accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

**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 so that the interest 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; and (b) any sums already collected from Borrower 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. 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 unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given 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 in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural

**UNOFFICIAL COPY**

person) without Lender's prior 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 notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower 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 without further notice or demand on Borrower.

**18. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the 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: (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 of 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. Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

**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 or 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 and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of 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 prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, 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 of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower 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 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.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

**23. Waiver of Homestead.** Borrower waives all right of homestead exemption in the Property.

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

- Adjustable Rate Rider
- Condominium Rider
- 1-4 Family Rider
- Graduated Payment Rider
- Planned Unit Development Rider
- Biweekly Payment Rider
- Balloon Rider
- Rate Improvement Rider
- Second Home Rider
- Other(s) [specify] Rider to Mortgage.

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

Witnesses:

..... *Emily Dahmouni* ..... (Seal)  
 Emily Dahmouni -Borrower  
 Social Security Number 341-44-4993  
 ..... *Driss Dahmouni* ..... (Seal)  
 Driss Dahmouni -Borrower  
 Social Security Number 300-70-9990

[Space Below This Line For Acknowledgment]

State of Illinois )  
 ) SS.  
County of C o o k )

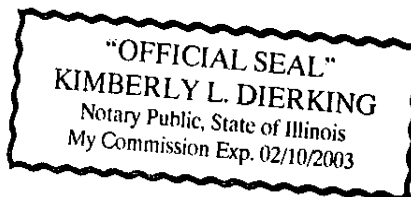
I, \_\_\_\_\_, a Notary Public in and for said county and state, do hereby certify that Emily Dahmouni, ~~a single woman~~,\*\* personally known to me to be the same Person whose name is signed and delivered the said instrument as her free and voluntary act, for the uses and purposes therein set forth.

\*\* and Driss Dahmouni, wife and husband

Given under my hand and official seal, this 16th day March, 1999.

*Kimberly L. Dierking*  
\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_



RIDER ATTACHED TO AND MADE A PART  
OF MORTGAGE  
FROM  
Emily Dahmouni and ("BORROWER")  
TO  
CREDIT LYONNAIS NEW YORK BRANCH ("LENDER")

26. Agreements About Conflicting Provisions in the Mortgage and this Rider. This Rider is a writing attached to the Mortgage and the provisions contained in this Rider are part of the Mortgage. Borrower agrees that if the provisions that are contained in this Rider are in conflict with the terms in the printed Mortgage and the Note, then the provisions of this Rider will control over the provisions in the printed Mortgage and the Note. If the Mortgage is assigned by Lender, all or any portion of this Rider may, at the option of the assignee, be deemed null and void. All capitalized terms not otherwise defined in this Rider shall have the meaning set forth in the Mortgage to which this Rider is attached. This Rider and the Mortgage to which it is attached are hereafter called this "Security Instrument").

27. Representations and Warranties. Borrower represents and warrants as follows:

27.1. The execution, delivery and performance by Borrower of this Security Instrument, the Note and any other documents delivered by Borrower hereunder are within Borrower's powers.

27.2. This Security Instrument, the Note and any other documents delivered by Borrower hereunder are Borrower's legal, valid and binding obligations enforceable against Borrower in accordance with their respective terms.

27.3. There is no pending or threatened action or proceeding, before any court, governmental agency or arbitrator which may materially adversely affect Borrower's financial condition, operations or affairs or the Premises.

27.4. There has been no material adverse change in Borrower's financial condition, operations or affairs as reflected in Borrower's most recent financial statements, copies of which have been furnished to Lender. Borrower owns each asset reflected in such financial statements in Borrower's individual capacity and free and clear of any liens, pledges, charges, encumbrances, or other claims, except as otherwise set forth therein.

27.5. All tax returns with respect to Borrower and Borrower's property which are required to be filed have been duly filed and all taxes and assessments shown thereon to be due and payable by Borrower have been paid. No taxing authority has asserted any claim for unpaid taxes or assessments against me.

27.6. Borrower wholly owns, and has good and marketable title to the Property free and clear of any liens, security interests, charges or other encumbrances except those granted to Lender, subject to the exceptions listed in the title policy issued this date under commitment No. 2792011 of John F. Conlon Agent.

28. Covenants. Borrower covenants and agrees as follows:

28.1. Notice. Borrower will furnish Lender with prompt notice (and in any event within five days) after becoming aware of the occurrence of any Event of Default (as defined in paragraph 29 below) and a statement setting out the details of such default and the action Borrower proposes to take or have taken with respect thereto.



28.2. Further Acts. From time to time Borrower shall execute and deliver to Lender all such further documents and instruments and do all such other acts and things as may be reasonably required in Lender's opinion to enable Lender to exercise and enforce Lender's rights hereunder and under the other documents referred to herein, and to perfect or continue the perfection of Lender's security interest.

28.3. Negative Pledge. So long as any amount due to Lender hereunder shall remain unpaid, Borrower will not incur, create, assume or permit to exist any additional or increased lien, pledge or encumbrance upon the Property.

28.4. Insurance. Borrower will maintain:

28.4.1. fire and hazard insurance with respect to the Property naming Lender as mortgagee, in the amount outstanding under the Note or the amount sufficient to avoid co-insurance, whichever is greater;

28.4.2. liability insurance with respect to the Property in an amount satisfactory to Lender;

28.4.3. flood insurance naming Lender as loss payee, if Borrower is advised that the Secretary of Housing and Urban Development or such other Federal office or agency with jurisdiction has determined that the Property are in an area that has been designated as having "special flood hazards", in the lower of the outstanding amount of the Note or the maximum flood insurance obtainable under the National Flood Insurance Program; and

28.4.4. life insurance with respect to Emily Dahmouni in the original principal amount of the Note and assigned to Lender as security for the Note.

At least 30 days prior to the termination of each required policy, Borrower will furnish Lender with evidence that such coverage has been renewed and all premiums have been paid in full.

29. Lender's Rights if Borrower Fails to Keep Promises and Agreements. The provisions of this Paragraph 29 shall supersede and take the place of the provisions of Paragraph 21 of this Security Instrument:

All of Borrower's outstanding obligations to Lender hereunder, together with accrued interest to the date of payment, shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which Borrower hereby waives, and Borrower will have no further right to request borrowings hereunder, if any of the following events ("Events of Default") shall have occurred and be continuing:

29.1. Non-Payment. Borrower shall fail to pay when due any amount of principal, interest, fees or other amount payable by Borrower under the Note or this Security Instrument; or

29.2. Representations and Warranties. Any representation or warranty made by Borrower in this Security Instrument, the Note or in any other agreement, certificate, financial statement or other document delivered at any time in connection with the foregoing shall prove to have been incorrect or incomplete in any material respect; or

29.3. Covenants. Borrower shall fail to observe or perform any covenant, promise or agreement contained in this Security Instrument, the Note or in any document executed in connection with the foregoing, or other borrowings with Credit Lyonnais New York Branch or any of its affiliated companies; or

29.4. Voluntary Bankruptcy. Borrower shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to me, Borrower's debts or all or a substantial part of Borrower's property under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of mine or any substantial part of Borrower's property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case



or other proceeding commenced against me, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay Borrower's debts as they become due, or shall take any action to authorize any of the foregoing; or

29.5. Involuntary Bankruptcy. An involuntary case or other proceeding shall be commenced against Borrower seeking liquidation, reorganization or other relief with respect to me, Borrower's debts or all or a substantial part of Borrower's property under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or similar official of mine or any substantial part of Borrower's property and such case or proceeding is not withdrawn, dismissed or bonded within thirty (30) business days; or

29.6. Death of Borrower. Emily Dahmouni shall die; or

29.7. Assignment of Rents. Without Lender's prior written consent (i) Borrower leases or rents all or any of the Property without Lender's prior written consent, (ii) Borrower assigns the rents from all or any part of the Property, or (iii) Borrower receives or collects rent from any tenant of all or any part of the Property for more than one month in advance; or

29.8. Non-Compliance with Laws. If Borrower fails to comply with any requirement, order or notice of violation of a law ordinance within three (3) months after the requirement, order or notice is issued by a governmental department claiming authority over the Property; or

29.9. Fail to Insure Property. Lender applies to two or more fire insurance companies lawfully doing business in the State of New York and these insurance companies refuse to issue policies insuring the buildings on the Property; or

29.10. Remove Fixtures. Any fixture or article of personal property that is covered by this Security Instrument is wholly or partially removed, demolished or destroyed. A "Fixture" is personal property that is attached to land or a building. However, there cannot be a default if (i) the personal property or Fixture that is removed, demolished or destroyed is promptly replaced by similar property that is at least equal in quality and condition and (ii) Borrower is the sole owner of this replacement property and holds it free from any lien or claim; or

29.11. Special Taxes. Any law is passed (i) deducting from the value of the land for the purpose of taxation any lien on the land or (ii) changing in any way the taxation of mortgages or debts secured by a mortgage for state or local purposes and thirty (30) days have lapsed after the passage of any such law; or

29.12. Fail to Maintain Property. Borrower used the Property for any unlawful purpose, or if the Property is used for any purpose by which the risk of fire or other hazard is increased, unless Lender gives written consent prior to these unauthorized uses, which consent may be withheld by Lender in its sole and absolute discretion; or

29.13. Lawsuits. A lawsuit is begun for foreclosure or sale or any other action or proceeding is begun to collect any lien that is an encumbrance on the Property.

Lender may do this without making a further demand for payment. This requirement will be called "Immediate Payment in Full".

If Lender requires Immediate Payment in Full, Lender may bring a lawsuit to take away all of Borrower's remaining rights in the Property and to have the Property sold. At this sale Lender or another person may acquire the Property. This is known as "foreclosure and sale". In any lawsuit for foreclosure and sale, Lender will have the right to collect all costs allowed by law.

# UNOFFICIAL COPY

99610731

30. Lender's Rights According to Section 254 of The New York Real Property Law. Lender will be entitled to certain rights and advantages according to a law known as Section 254 of the New York Real Property Law ("Section 254"). The provisions of this Security Instrument will be construed as provided in Section 254, except that Section 254 will not apply to Paragraph 41 entitled "Proceeds of Hazard Insurance" of this Security Instrument. All of Lender's rights and advantages as set forth in this Security Instrument are supplemental to and do not replace any of Lender's rights under Section 254. None of Lender's rights shall be to the exclusion of any other rights and nothing Lender does shall be construed to be an election to enforce any one right to the exclusion of any other rights.

31. Agreements About Lender's Rights with Regard to a Foreclosure Search, Appointment of a Receiver and a Foreclosure and Sale.

31.1. If Borrower does not keep Borrower's promises and agreements made in this Security Instrument, Lender may obtain a "foreclosure search" from a title insurance company. If Borrower corrects Borrower's failure to keep Borrower's promises and agreements before a lawsuit for foreclosure and sale begins, Borrower agrees to pay the cost of the foreclosure search together with any other sums required to cure Borrower's failure.

31.2. If Lender, or any person who takes over Lender's rights or obligations under this Security Instrument, begins a lawsuit for foreclosure and sale, then Lender is entitled to have a receiver appointed by the court. This receiver may be appointed without Lender giving notice to me. Borrower gives Lender the right to have a receiver appointed, whether or not the value of the Property is worth more than the amount Borrower owes under the Note this Security Instrument.

31.3. If there is a foreclosure and sale, Borrower agrees that all of the Property or any part of the Property that is affected by this Security Instrument may be sold together as one unit.

32. Borrower's Obligations to Deliver Receipts to Lender, Lender's Right to Make Payments. Borrower will deliver to Lender any receipts Borrower receives for the payment of all taxes, assessments, water and sewer rents within ten (10) days after Lender requests these receipts. If Borrower does not deliver these receipts after Lender's request, Lender may make these necessary payments as provided in Paragraph 7 of this Security Instrument.

33. Borrower's Obligations to Make Statement of Amount Due on the Note and this Security Instrument and if Any Deductions or Defenses Exist Against the Amount Due on the Note and this Security Instrument. Borrower will furnish a written statement of the amount due under the Note and this Security Instrument and whether any deductions or defenses exist against the amount due under the Note and this Security Instrument upon the request of Lender. If Lender makes the request in person, then Borrower will furnish the statement within five (5) days. If Lender makes the request by mail, Borrower will furnish the statement within eight (8) days. Borrower will duly acknowledge any statement Borrower make under this Paragraph. An "acknowledgement" is a formal declaration before a notary public or other authorized official by the person who signs the statement.

34. Lender's Rights If There is a Change of Ownership of The Property. The provisions of this Paragraph 34 shall supersede and take the place of the provisions of Paragraph 11 of this Security Instrument:

34.1. If Borrower sells or transfers the Property, or any part thereof without first obtaining Lender's written consent, Borrower will still be fully obligated under the Note and under this Security Instrument and Lender may require Immediate Payment In Full, as the phrase is defined in Paragraph 29 of Security Instrument. However, Lender will not have the right to request Immediate Payment in Full as a result of certain transfers. Those transfers are: (A) the creation of liens or other claims against the Property that are inferior to this Security Instrument with Lender's prior written consent; (B) a transfer of rights in household appliances, to a person who provides Borrower with the money to buy those appliances, in order to protect that person against possible losses; and (C) a transfer of the Property to co-owners, following the death of a co-owner when the transfer is automatic according to law.

34.2. If Lender requires Immediate Payment in Full under this Paragraph 34, Lender will send me, in the manner described in Paragraph 54 of this Security Instrument, a notice which states this requirement. The notice will give Borrower at least 30 days to make the required payment. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered. If Borrower does not make the required payment during that period, Lender may bring a lawsuit for foreclosure and sale under Paragraph 29 of this Security Instrument without giving Borrower any further notice or demand for payment. (See Paragraph 29 of this Security Instrument for a definition of foreclosure and sale.)

35. Borrower's Obligation to Pay Interest if Lender Demands Immediate Payment In Full. If Lender demands Immediate Payment in Full, interest will be payable on any amounts due hereunder or under the Note from the date Lender makes such demand until the date payment is actually received at the Default Rate (as defined in the Note).

36. Borrower's Obligation to Pay A Late Charge if Borrower's Payment Is Overdue. If any payment(s) has not been received by Lender within fifteen (15) days from the date when it is due, a late charge may be charged by Lender. The late charge will be an amount equal to two (2%) percent of such payment that is overdue. The late charge may be deducted from Borrower's funds (or the funds of any subsequent owner of the Property). The late charge will be a lien on the Property secured by this Security Instrument.

37. Security Interest. This Security Instrument shall constitute a security agreement, as defined in the Uniform Commercial Code, with respect to the Fixtures on the Property now owned or hereafter acquired and the proceeds and products thereof including any recovery under any policy of insurance covering the Fixtures, and shall grant a security interest to Lender in all thereof. Lender is authorized to file UCC financing statements without Borrower's signature to confirm, continue or change this security interest.

38. No Waiver of Rights. The failure of Lender to demand Immediate Payment In Full for any default under the Note or this Security Instrument, or to insist upon the strict performance of any promise or condition of the Note or this Security Instrument shall not prevent any future failure by Borrower which is a default from having all the force and effect of a default. The receipt by Lender of any payment, with knowledge of the violation or default of any covenant or condition of the Note or this Security Instrument, shall not be deemed a waiver of such violation or default, nor shall Lender's acceptance of any payment after the expiration of any grace period relating thereto be deemed to stop Lender from exercising its right with respect to any default arising hereafter out of any other late payment. No provision of the Note or this Security Instrument shall be deemed to have been waived by Lender unless the waiver is in writing and signed by Lender.

39. Agreements About which Persons are Bound By the Promises in this Security Instrument. This Security Instrument cannot be changed or ended orally. The promises contained in this Security Instrument will run with the land and bind and take effect for Borrower and any person who takes over Borrower's rights or obligations and all persons who may have an interest in the Property. The promises will also bind and take effect for the benefit of Lender and any person who takes over Lender's rights and obligations under this Security Instrument. A promise that "runs with the land" is a promise under which the liability for performance or the right to performance passes to a subsequent owner of the land or any person who obtains rights and obligations with respect to the land.

40. Satisfaction of this Security Instrument. When Lender has been paid all amounts due under the Note and this Security Instrument, Lender will discharge this Security Instrument by executing a certificate stating that this Security Instrument has been satisfied. If Borrower prepares the certificate and present it to Lender, Borrower will not be required to pay Lender for the discharge. If Borrower asks Lender to prepare the certificate, Borrower will pay Lender's counsel a reasonable fee for the preparation of the certificate. Borrower will pay all costs of recording the discharge in the proper official record.

41. Proceeds of Hazard Insurance. If any hazard insurance proceeds are received because of damage to the Property, Lender may use the proceeds to repay all amounts Borrower owes under the Note and this Security Instrument, or Lender may use or make available to Borrower all or part of the proceeds to repair the damage to the Property, or Borrower may use the proceeds for any other purpose Lender approves of (but Lender does not have to see to the proper use of any proceeds paid over to me). In the event of loss or damage to the Property, if Borrower does not promptly make proof of loss to the insurance company, Borrower hereby appoints Lender as Borrower's attorney-in-fact coupled with an interest with full and absolute authority to: (A) make and submit such proof of loss; (B) compromise and settle any claim for loss; and (C) give releases or acquittances to the insurance company in connection with such settlement of any claim for insurance proceeds. Lender's appointment as Borrower's attorney-in-fact is irrevocable and coupled with an interest, with full power of substitution, and shall not be affected by Borrower's subsequent disability or incompetence. Each insurance company concerned is hereby authorized and directed to pay such proceeds directly to Lender instead of jointly to Borrower and Lender. If hazard insurance proceeds are used to repay the sums Borrower owes under the Note and this Security Instrument, such proceeds shall be applied to those installments of principal last coming due. If Lender acquires the Property pursuant to a default, all of Borrower's rights in the insurance policy will belong to Lender, together with all of Borrower's rights in any proceeds which are paid because of damage that occurred before the Property was acquired by Lender or sold would belong to Lender. However, Lender's rights in those proceeds will not be greater than the amount of the debt immediately before the Property is acquired by Lender or sold.

42. Condemnation Proceeds. If any proceeds are payable with respect to the Property because of an exercise of eminent domain, condemnation, or other taking, the right to such proceeds and the use of such proceeds shall be governed by, and applied in accordance with, the provisions of Paragraph 41 of this Security Instrument as if such proceeds were hazard insurance proceeds.

43. Warranty of Title. Borrower promises that:

- 43.1. Borrower owns the Property;
- 43.2. Borrower has the right to mortgage the Property to Lender;
- 43.3. there are no outstanding claims or charges against the Property, not shown in the title commitment furnished to Lender;
- 43.4. this Security Instrument is a valid lien on the Property;
- 43.5. Borrower will defend Borrower's ownership of the Property against the claims of any others based upon rights which Borrower has promised to Lender that Borrower possesses; and
- 43.6. the application for this Security Instrument and each document submitted in connection with Borrower's application to Lender is true, accurate and correct in all respects and any information provided to Lender contained all information necessary to make all statements contained in the application not misleading.

44. Borrower Shall Maintain Property. Supplementing the printed portion of this Security Instrument, Borrower promises that Borrower shall not destroy, damage or substantially change the Property or allow the Property to deteriorate. Lender and persons designated by Lender can enter and inspect the Property in a reasonable manner and at reasonable times and upon reasonable notice to me.

45. Assignment of Rents. As additional protection for Lender, Borrower gives to Lender all of Borrower's rights to any rental payments from the Property. However, until Lender requires immediate payments in full, or until Borrower abandons the Property, Borrower shall have the right to collect and keep those rental payments as they become due. Borrower has not given any rights to rental payment from the Property to anyone else and will not do so without Lender's prior written consent. If Lender requires Immediate Payment In Full, or if Borrower abandons the Property, then Lender, persons authorized by Lender or a receiver appointed by the court at Lender's request can in addition to any other rights granted by a court of competent jurisdiction: (A) collect the rental payments, including overdue rental payments directly from any tenant; (B) enter on and take possession of the Property; (C) manage the Property; and (D) sign, cancel and



change leases. Borrower agrees that if Lender notifies the tenants that Lender has the right to collect rental payments directly from them, the tenants may make those rental payments to Lender without having to ask whether Borrower has failed to keep Borrower's promise under the Note or this Security Instrument. If there is a judgment for Lender in a lawsuit for foreclosure and sale, Borrower will pay to Lender reasonable rent from the date the judgment is entered for as long as Borrower occupies the Property. However, this does not give Borrower any rights to occupy the Property. All rental payments collected by Lender or by a receiver, other than the rent paid by Borrower will be used to first pay the costs of collecting rental payments and of managing the Property. If any part of the rental payments remains after those costs have been paid in full, the remaining part will be used to reduce the amount that Borrower owes to Lender under the Note and under this Security Instrument. The cost of managing the Property may include the receiver's fees, reasonable attorneys fees and the cost of any necessary bond. Lender and the receiver will be obligated to account only for those rental payments they actually receive. Any costs or expenses incurred under this Paragraph and which are paid by Lender shall be secured by this Security Instrument in the same manner as if it were part of the principal amount of the Note.

46. **Right To Set-Off.** If Borrower is in default under the Note or this Security Instrument, in addition to any other rights that Lender has under the Note or this Security Instrument, Lender shall have such rights of set-off as may be permitted by applicable law.

47. **Security Instrument Taxes, Title Insurance and Filing Fees.** Upon execution hereof, Borrower agrees to pay any and all mortgage recording taxes and fees, appraisal fees, mortgage title insurance charges and reasonable legal fees of Lender in connection with this Security Instrument and the Note.

48. **Borrower Shall Cooperate.** Borrower agrees to do such further acts and to execute and deliver such statements, assignments, agreements, instruments and other documents as Lender from time to time may reasonably request in connection with the administration, maintenance, enforcement or adjudication of this Security Instrument and any other documents executed in conjunction therewith in order: (A) to evidence, confirm, perfect or protect any lien or security interest granted or required to have been granted under this Security Instrument and the other documents; (B) to give Lender or its designee confirmation of Lender's rights, powers, privileges, remedies and interests under this Security Instrument, the other documents and applicable law; (C) to better enable Lender, following the occurrence of any default under this Security Instrument or any other documents, to exercise any such right, power, privilege or remedy; (D) to otherwise effectuate the purpose and the terms and provisions of this Security Instrument and the other documents executed in connection with the loan evidenced by the Note; or (e) to conform to any statutes, rules or regulations of any governmental authority having jurisdiction over this Security Instrument or the Note. Borrower agrees to acknowledge and deliver to Lender such documents and take such other actions as Lender may reasonably request in order to effectuate the purpose and terms and provisions of this Security Instrument or the Note.

49. **No Third Party Rights.** The terms and provisions of this Security Instrument are for the exclusive benefit of the parties hereto, and no other person, including creditors of any party hereto, shall have any right or claim against any party by reason of those provisions or be entitled to enforce any of those terms and provisions against any party.

50. **Entire Agreement.** This Security Instrument, the Note and the other documents executed in connection with this transaction contain the entire agreement of the parties and supersede all other representations, warranties, agreements and understandings, oral or otherwise, among the parties with respect to the matters contained herein and therein.

51. **Environmental Requirements.**

51.1. Borrower hereby promises that to the best of Borrower's knowledge, after appropriate investigation, there are no materials currently located on the Property that violate any applicable federal, state, or local law, statute, ordinance or regulation, court or administrative order or decree, or private agreement (hereinafter collectively called "Environmental Requirements") or that require special handling in collection, storage, treatment, or disposal (the

"Hazardous Materials"). Borrower promises that Borrower will not place or permit to be placed any such materials on the Property or use or permit the use of the Property in a manner that violates applicable Environmental Requirements, and further, that, if at any time it is determined that the operation or use of the Property violates any applicable Environmental Requirements or that there are materials located on the Property that, under any Environmental Requirement, require special handling in collection, storage, treatment or disposal, Borrower shall, within thirty (30) days after written notice thereof, take or cause to be taken, at Borrower's sole expense, such actions as may be necessary to comply with all Environmental Requirements. If Borrower shall fail to take such action, Lender may take advances or payments towards performance or satisfaction of the same but shall be under no obligation to do so; and all sums so advanced or paid, including, without limitation, reasonable counsel fees, fines, or other penalty payments and all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, shall immediately, upon demand, be due from Borrower and shall bear interest at the rate per annum set forth in the Note from the date the same shall become due and payable until the date paid, and all sums so advanced or paid, with interest as aforesaid, shall be added to the indebtedness secured hereby and shall be secured by this Security Instrument. Borrower shall execute and deliver, promptly after request, such instruments as Lender may deem useful or required to permit Lender to take any such action. Notwithstanding any provision of this Paragraph, if any Hazardous Materials are found to be located at or near the Property, such occurrence is an event which would permit Lender to demand Immediate Payment In Full.

51.2. Lender may, at its option, at intervals of not less than one year, cause an environmental audit of the Property or portions thereof to be conducted to confirm Borrower's compliance with the provisions of this Paragraph.

51.3. Borrower shall send to Lender copies of all notices, letters or other communications respecting the Property that are either received by Borrower from any governmental authority or agency concerning Environmental Requirements or sent by Borrower to any such authority or agency, promptly upon such receipt or transmittal by me.

51.4. Borrower shall indemnify, hold harmless, reimburse, and, upon request of Lender, defend Lender from, against and for any and all liability or responsibility that may at any time be imposed upon Lender by reasons of the Property or any portion thereof or the operation or use thereof by Borrower or any prior owner thereof not complying fully with all Environmental Requirements. The provisions of this Paragraph shall survive the payment of the indebtedness secured hereby and the release and/or assignment of this Security Instrument.

52. Prepayment Penalty. Notwithstanding any provisions of the Note or Security Instrument which appear to contradict the provisions of this Paragraph, Borrower has the right to make payments of principal at any time before they are due. Such a payment of principal is known as "prepayment". Borrower may make a full or partial prepayment at anytime without having to pay any prepayment charge. When Borrower intends to make a prepayment, Borrower will tell Lender in a letter that Borrower is doing so. Lender will use all of Borrower's prepayment to reduce the amount of principal that Borrower owes under the Note and Security Instrument. When Borrower makes a prepayment, Borrower will also pay all accrued interest through the date of the prepayment. If Borrower makes a partial prepayment, there will be no delay in the due dates or change in the amounts of Borrower's monthly payments unless Lender agrees in writing to such delay or change.

53. Escrow Provisions. The provisions of this Security Instrument which require Borrower to make a escrow payments for real estate taxes and insurance shall be deemed to be of no force and effect unless Lender makes a demand to require Borrower to make such payments.

54. Miscellaneous Provisions.

54.1. Amendments. No amendment or waiver of any provision of this Security Instrument or the Note, nor consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in writing and

signed by Lender and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

54.2. Notices. Notices and other communications provided for hereunder shall be in writing (including telegraphic communications), shall be effective two days after mailing or on the day telegraphed or delivered and shall be mailed, telegraphed or delivered to Borrower at Borrower's address as shown on the first page hereof; and, if to Lender, at 1301 Avenue of the Americas, New York, New York 10019, Attention: Legal Department; or as to each party at such other address as shall be designated by such party in a written notice to the other party. Any such notice to change an address shall be effective only when received.

54.3. Costs and Other Expenses. Borrower agrees to pay all of Lender's reasonable expenses (including, but not limited to, reasonable legal fees and disbursements) of every kind incidental to the consummation or enforcement of this Security Instrument or the Note, the filing of any mortgages or other documents required for the perfection of Lender's security interests hereunder, the costs of obtaining appraisals of the property pledged hereunder.

54.4. Termination of Mortgagor as Employee. In the event of the termination of the employer-employee relationship between Credit Lyonnais, its affiliates, subsidiaries, successors and/or assigns and Emily Dahmouni for any reason, with or without cause, the Lender may at anytime thereafter and on demand require the Borrower to pay immediately the full amount of principal which has not been paid under the Note and all the interest owed on that amount. In the event the Lender requires the Borrower to pay the full amount of principal of the Note as a result of a default hereunder or under the Note or the termination of said employer-employee relationship, the Borrower will pay interest from the date of such default or termination of employment on the unpaid principal balance outstanding under the Note at a rate per annum equal to the rate published in the "Money Rates" section of The Wall Street Journal - Eastern Edition on the date of such default or termination, as applicable, as the Federal National Mortgage Association (Fannie Mae) posted yield on 30-year mortgage commitment, with delivery within 60 days, for standard fixed-rate conventional mortgages plus a margin of one (1%) percent (the "Default Rate"), until payment in full of all amounts due. If such date is not a publication date for The Wall Street Journal - Eastern Edition, then on the publication date immediately preceding the date of such default or termination, or if such default is not a monetary default, then on the date on which the Lender gives written notice of such default to the Borrower. If such index is no longer available, the Lender will choose a new index which is based upon comparable information. The agreement of the Borrower to pay the Default Rate shall not relieve the Borrower of its obligations to pay the full amount of principal to the Lender as required hereunder.

54.5. Governing Law. This Security Instrument shall be governed by, and construed in accordance with, the laws of the State of New York.

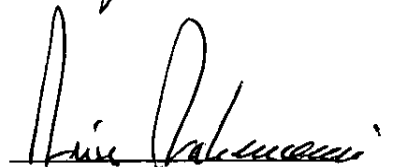
54.6. Waiver of Jury Trial. The Borrower and Lender, by its acceptance of the Note and this Security Instrument, waive trial by jury and the right thereto in any action or proceeding of any kind arising on, out of, under, by reason of, or relating in any way to the Note or this Security Instrument.

54.7. Consent to Jurisdiction. Borrower represents that Borrower has no immunity with respect to any action or proceeding brought in connection with this Security Instrument or the Note, and agree that any legal or equitable action or proceeding with respect to this Security Instrument or the Note or the enforcement thereof may be brought in any Federal or State court of competent jurisdiction located in the City of New York and, by execution and delivery of this Security Instrument or the Note, Borrower accepts for itself and Borrower's property, generally and unconditionally, the jurisdiction of the aforesaid courts and any related appellate court, and irrevocably agree to be bound by any judgment rendered thereby in connection with this Security Instrument or the Note, and irrevocably waive any objection Borrower may now or hereafter have as to the venue of any such action or proceeding brought in such a court or that such a court is an inconvenient forum. Borrower consents to the service of process out of any of the aforementioned courts in any such action or proceeding by mailing of copies thereof by registered mail, postage prepaid.

# UNOFFICIAL COPY

such service to become effective three business days after such mailing. Nothing herein shall affect Lender's right to serve process in any other manner prescribed by law or the right to bring legal or equitable actions or proceedings in other competent jurisdictions. Any judicial proceeding by Borrower against Lender involving, directly or indirectly, any matter in any way arising out of, related to or connected with this Security Instrument or the Note shall be brought only in a court located in the City of New York. Borrower hereby waives trial by jury in any judicial proceeding brought by Borrower or Lender involving, directly or indirectly, any matter in any way arising out of, related to or connected with this Security Instrument or the Note.

  
Emily Dahmouni, Mortgagor

  
, Co-Mortgagor Driss Dahmouni

Property of Cook County Clerk's Office



STATEMENT ATTACHED TO MORTGAGE

Mortgagor: Emily Dahmouni

Mortgagee: Credit Lyonnais New York Branch

Premises: 3150 N. Sheridan 23B  
Chicago, Illinois 60657


Check The Appropriate Box

: 1. The attached mortgage covers real property principally improved or to be improved by one or more structures containing in the aggregate not more than six (6) residential dwelling units, each dwelling unit having its own separate cooking facility.

: 2. The attached mortgage does not cover real property improved as described above.

Dated: March 16, 1999

  
Emily Dahmouni

  
Driss Dahmouni

**CONDOMINIUM RIDER**

Loan Number:

THIS CONDOMINIUM RIDER is made this 16th day of March, 1999, and is incorporated into and shall be deemed to and supplement the Mortgage, (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to Credit Lyonnais, New York Branch (the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 3150 North Sheridan Road, Unit 23B, Chicago, Illinois.

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

**CONDOMINIUM COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. Condominium Obligations.** Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration of any other document which creates the Condominium Project; (ii) by-laws; (iii) code or regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

**B. Hazard Insurance.** So long as the Owners Association maintain, with a generally accepted insurance carrier, a "master" or "blanket" policy on the condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards including within the term "extended coverage," then:

- (i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and
- (ii) Borrower's obligation under Uniform covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

**C. Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

**D. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable

to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

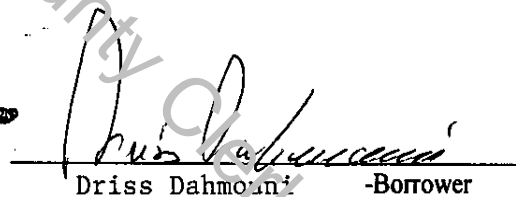
**E. Lender's Prior Consent.** Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

- (i) The abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;
- (ii) any amendment to any provision of the Constituent Document if the provision is for the express benefit of Lender;
- (iii) termination of professional management and assumption of self-management of the Owners Association; or
- (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

**F. Remedies.** If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the 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, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

  
\_\_\_\_\_  
EMILY DAHMOUNI -Borrower

  
\_\_\_\_\_  
Driss Dahmouni -Borrower

\_\_\_\_\_  
-Borrower

\_\_\_\_\_  
-Borrower

# UNOFFICIAL COPY

LEGAL DESCRIPTION

99610731

Unit 23B as delineated on a Survey of the following described parcel of real estate: The South 415 Feet of Lot 5 and all of Lot 6 in Block 1 in Kimball Young's Subdivision of the North 10 acres of the East 1/2 of the Northwest 1/4 of Section 28, Township 40 North, Range 14 East of the Third Principal Meridian, also the North 35 Feet 6 inches of Lot 10 in Block 2 in Owner's Subdivision of Brauckmann and Gehhrke's Subdivision in the East 1/2 of the Northwest 1/4 and the Northeast Fractional 1/4 of Section 28, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois; which Survey is attached as Exhibit "A" to the Declaration made by Amalgamated Trust and Savings Bank, as Trustee under Trust No. 2275, Recorded in the Office of Recorder of Deeds of Cook County, Illinois as Document 23578004; together with its undivided percentage interest in the common elements as set forth in said Declaration.

Tax ID # 14-28-103-055-1048

Commonly Known As: 3150 N. Sheridan, Unit 23B, Chicago, IL 60657

Property of Cook County Clerk's Office