

Account No. \_\_\_\_\_  
Loan # \_\_\_\_\_

SW: \_\_\_\_\_  
FILED \_\_\_\_\_

Return this instrument to:

2005 110441

2005 DEC 16 AM 10:33

James M. Nelis  
Attorney at Law  
847 S. Randall Road, No. 405  
Elgin, Illinois 60123

MICHAEL J. LEONARD  
RECORDER

33084K05

### MORTGAGE

THIS MORTGAGE is made this 9<sup>th</sup> day of December, 2005 between the Mortgagor, Amon Nickerson ("Borrowers"), whose address is 95 Monee Road, Park Forest, Illinois 60466, and the Mortgagee, ZDE Investments, Inc., 2915 North Southport Avenue, Chicago, Illinois 60657-4112 (herein "Lender").

WHEREAS, Borrowers are indebted to Lender in the principal sum of U.S. \$46,486.00, which indebtedness is evidenced by Borrowers' note dated December 9, 2005 and extensions, renewals and modifications thereof (herein "Note"), providing for monthly installments of principal and interest as indicated on the Note, with the balance of indebtedness, if not sooner paid, due and payable on April 9, 2006;

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrowers herein contained, Borrowers does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

SEE ATTACHED LEGAL DESCRIPTION.

which has the address of 3424 Virginia Street, Gary, Indiana 46409 (herein "Property Address") and Permanent Parcel Number: 25-46-0381-0006.

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

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

HOLD FOR MERIDIAN TITLE CORP.  
3 3084K05

\$24  
MT  
CAN

**UNIFORM COVENANTS.** Borrowers and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrowers shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note. This Mortgage secures payment of said Note according to its terms, which are incorporated herein by reference.

2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraph 1 hereof shall be applied by Lender first to interest due on the Note, second to the principal due on the Note, and then to other charges, if any, due on the Note.

3. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrowers shall perform all of Borrowers' obligations, under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrowers' covenants to make payments when due. Borrowers shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

4. **Hazard Insurance.** Borrowers 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 such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The Insurance carrier providing the insurance shall be chosen by Borrowers subject to approval by a Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Borrowers shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrowers.

If the Property is abandoned by Borrowers, or if Borrowers fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrowers that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

5. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrowers shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is a unit in a condominium or a planned unit development Borrowers shall perform all of Borrowers' obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

6. **Protection of Lender's Security.** If Borrowers fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrowers, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such actions as is necessary to protect Lender's interest.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon, at the Note rate, shall become additional indebtedness of Borrowers secured by this Mortgage. Unless Borrowers and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrowers requesting payment thereof. Nothing contained in this paragraph 6 shall require Lender to incur any expenses or take any action hereunder.

7. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrowers notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

8. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

9. **Borrowers Not Released; Forbearance By Lender Not a Waiver.** The Borrowers shall remain liable for full payment of the principal and interest on the Note (or any advancement or obligation) secured hereby, notwithstanding any of the following: (a) The sale of all or a part of the premises, (b) the assumption by another party of the Borrowers' obligations hereunder, (c) the forbearance or extension of time for payment or performance of any obligation hereunder, whether granted to Borrowers or a subsequent owner of the property, and (d) the release of all or any part of the premises securing said obligations or the release of any party who assumes payment of the same. None of the foregoing shall in any way affect the full force and effect of the lien of this Mortgage or impair Lender's right to a deficiency judgment (in the event of foreclosure) against Borrowers or any party assuming the obligations hereunder.

Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be waiver of or preclude the exercise of any such right or remedy.

10. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrowers, subject to the provisions of paragraph 15 hereof. All covenants and agreements of Borrowers shall be joint and several. Any Borrowers who co-signs this Mortgage, but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrowers' interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agree that Lender and any other Borrowers hereunder may agree to extend, modify, forebear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrowers' consent and without releasing that Borrowers or Modifying this Mortgage as to that Borrowers' interest in the Property.

11. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrowers provided for this Mortgage shall be given by delivering it or by mailing such notice by first class mail addressed (b) Borrowers or the current owner at the Property Address or at such other address as Borrowers may designate by notice to Lender as provided herein, and any other person personally liable on this Note as these person's names and addresses appear in the Lender's records at the time of giving notice and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as lender may designate by notice to Borrowers or Lender when given in the manner designated herein.

**12. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision of this Mortgage or the Note which can be given effect without the conflicting provision and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

**13. Borrowers' Copy.** Borrowers shall be furnished a conformed copy of the Note, this Mortgage and Rider(s) at the time of execution or after recordation hereof.

**14. Rehabilitation Loan Agreement.** Borrowers shall fulfill all of Borrowers' obligations under any home rehabilitation, improvement, repair or other loan agreement which Borrowers enters into with Lender. Lender, at Lender's option, may require Borrowers to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrowers may have against parties who supply labor, materials or services in connection with improvements made to the Property.

**15. Transfer of the Property or a Beneficial Interest in Borrowers, Assumption.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrowers is sold or transferred and Borrowers is not a natural person) without Lender's prior written consent, Lender may, at Lender's option, for any reason, declare all the sums secured by this Mortgage to be immediately due and payable. However, this option shall not be exercised by Lender if exercise is prohibited by Federal law as of the date of this Mortgage.

If Lender exercises this option, Lender shall give Borrowers 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 Borrowers must pay all sums secured by this Security Instrument. If Borrowers fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies by this Security Instrument without further notice or demand on Borrowers.

This Mortgage may not be assumed by a purchaser without the Lender's consent. If an assumption is allowed, the Lender may charge an assumption fee and require the person(s) assuming the loan to pay additional charges as authorized by law.

**NON-UNIFORM COVENANTS.** Borrowers and Lender further covenant and agree as follows:

**16. Acceleration; Remedies.** Upon Borrowers' breach of an covenant or agreement of Borrowers in this Mortgage, including the covenants to pay when due any sums under the Note secured by this Mortgage, Lender, at Lender's option may declare all sums secured by this Mortgage, to be immediately due and payable without demand or notice and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

**17. Assignment of Rents. Appointment of Receiver, Lender in Possession.** As additional security hereunder; Borrowers hereby assigns to Lender the rents of the Property, provided that Borrowers shall, prior to acceleration under paragraph 16 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 16 hereof or abandonment of the Property and at any time prior to judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to received fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sum secured by this Mortgage.

**18. Loan Charges.** If the loan secured by this Mortgage 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 permitted limits, then: (1) any such loan charges shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (2) any sums already collected from Borrowers which exceeded permitted limits will be refunded to Borrowers. Lender may choose to make this refund by reducing the principal owed under the Note or by mailing a direct payment to Borrowers. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

**19. Legislation.** If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provisions of the Note, the Mortgage or any Rider, unenforceable according to their terms, or all or any part of the sums secured hereby uncollectible, as otherwise provided in this Mortgage or the Note, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by the Mortgage to be immediately due and payable.

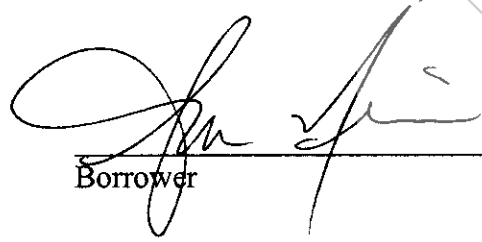
**20. Release.** Upon payment of all sums secured by this Mortgage, this Mortgage shall become null and void and Lender or Trustee shall release this Mortgage without charge to Borrowers. Lender, at Lender's option, may allow a partial release of the Property on terms acceptable to Lender and Lender may charge a release fee. Borrowers shall pay all costs of recordation, if any.

**21. Waiver of Homestead.** Borrowers hereby waive all rights of homestead exemption in the Property.

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE  
UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Borrowers and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page on this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrowers have executed this Mortgage.

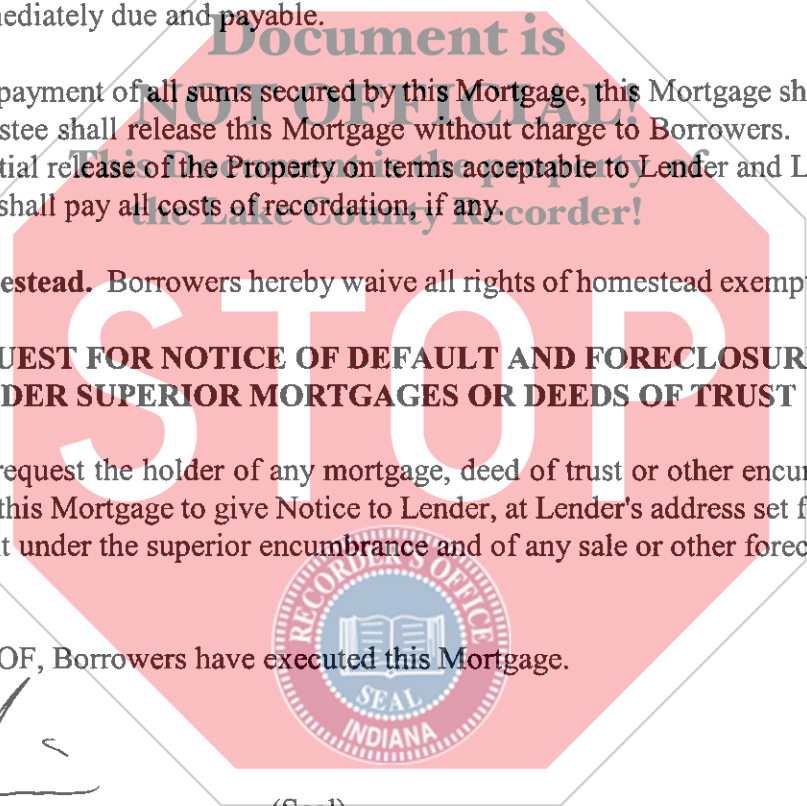


Borrower

(Seal)

Borrower

(Seal)



Indiana

STATE OF ~~ILLINOIS~~ )  
                  Lake ) SS  
COUNTY OF ~~COOK~~ )

I, Norma J. Richardson, a Notary Public in and for said County and State, do hereby certify that Amon Nickerson, personally known to me to be the same person(s) whose names(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument of their free and voluntary act, for the uses and purposes therein set forth.

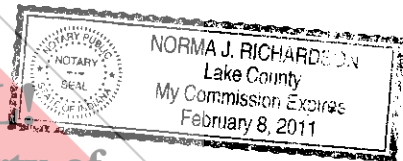
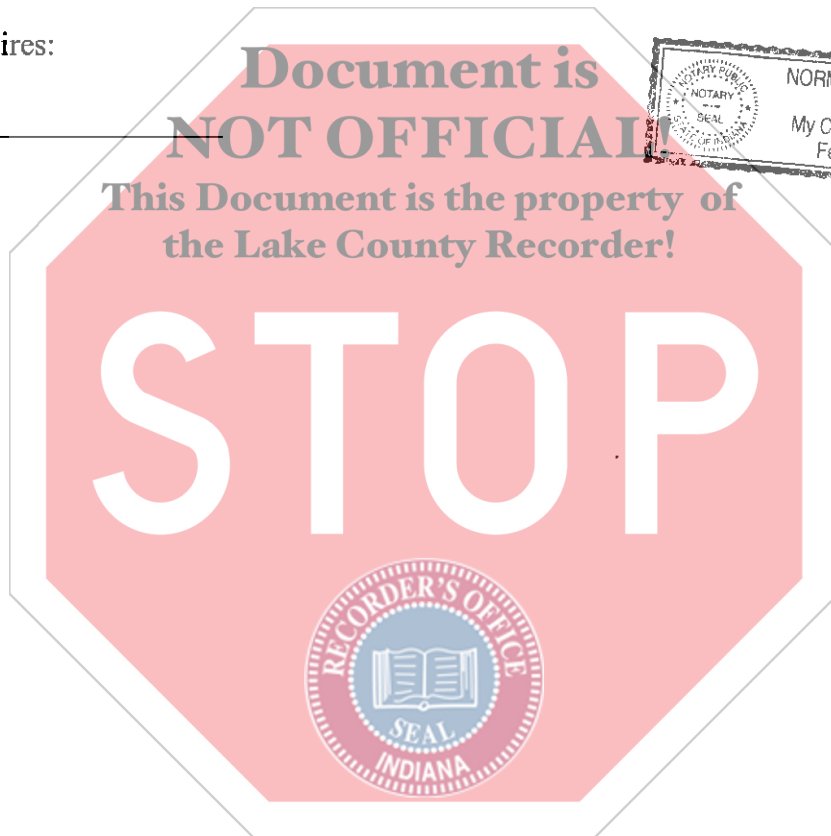
Give under my hand and official seal, this 9<sup>th</sup> day of December, 2005.

Norma J. Richardson  
Notary Public

[SEAL]

My Commission Expires:

\_\_\_\_\_



Reference or File No.: 33081k05

**EXHIBIT A**

Lot Numbered 6 and the North 20 feet of Lot 7, Block 4 as shown on the recorded plat of Polonia Realty Co.'s First Addition to Gary recorded in Plat Book 16 page 13 in the Office of the Recorder of Lake County, Indiana.

