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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION

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DOROTHY J. ROBERTS

GMAC Mortgage LLC, )  
U.S. Bank National Association, a national banking )  
association as successor trustee to Bank of America, N.A., )  
as Trustee for Morgan Stanley Loan Trust 2006-16AX, )  
Plaintiff/Counter-Defendant, )  
v. )  
Richard Daniggelis, )  
Defendant/Counter-claimant and cross-claimant, )  
\_\_\_\_\_)  
Joseph Younes, Mortgage Electronic Registration )  
Systems., Inc as Nominee for HLB Mortgage, )  
Paul Shelton, Erika Rhone and Stewart Title of Illinois and )  
Unknown Owners, )  
Defendants/Cross-Defendants. )

Case No. 07 CH 29738

Judge Michael F. Otto

Cal. 61

1720 North Sedgwick Ave.,  
Chicago, Illinois

**PLAINTIFF'S ANSWER TO RICHARD DANIGGELIS' MOTION FOR SUMMARY  
JUDGMENT ON COUNTS I, II AND III OF PLAINTIFF'S THIRD AMENDED  
COMPLAINT**

Plaintiff/Counter-Defendant U.S. Bank National Association, a national banking association as successor trustee to Bank of America, N.A., as Trustee for Morgan Stanley Loan Trust 2006-16AX (herein "Plaintiff"), by one of its attorneys, Richard Indyke and as its Answer to Defendant/Counter-Plaintiff Richard Daniggelis' (herein "Daniggelis") Motion for Summary Judgment on Counts I, II and III of Plaintiff's Third Amended Complaint (herein "Motion") states as follows:

**SUMMARY JUDGMENT STANDARD**

The Illinois Civil Procedure Act, Section 2-1005 (735 ILCS 5/2-1005(b)):  
A defendant may at any time move with or without supporting affidavits for summary judgment in his or her favor as to all or any part of the relief sought against him or her. Summary Judgment should be granted when the pleadings, depositions and admissions on file, together with the affidavits, if any, show that there is no genuine issues as to any material fact and that the moving party is entitled to a judgment as matter of law.

Illinois Civil Procedure Act, Section 2-1005 (735 ILCS 5/2-1005(c)): Procedure. The opposite party may prior to or at the time of the hearing on the motion file counteraffidavits. The judgment sought shall be rendered without delay if the pleadings, depositions, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. A summary judgment, interlocutory in character, may be rendered on the issue of liability alone although there is a genuine issue as to the amount of damages.

### **BACKGROUND**

1. Plaintiff's complaint to foreclose a mortgage was filed in this court on October 17, 2007, it identified the mortgagor as Joseph Younes, defendant, the mortgagee M.E.R.S., Inc., as Nominee for HLB Mortgage, the date of recording of Mortgage, August 16, 2006, place of recording, Office of the Recorder of Deeds of Cook County, Illinois, the identification of recording, document number 0622826138, interest subject to the Mortgage, fee simple and the amount of original indebtedness, \$583,100.00. The Mortgage was recorded against a home commonly known as 1720 North Sedgwick Street, Chicago, Illinois 60614 (herein "Property"). A true and correct copy of the Mortgage is attached to the Third Amended Complaint as Exhibit A.
2. Plaintiff is the holder of the Note (herein "Note") executed and delivered by defendant Joseph Younes to the order of HLB Mortgage in the principal sum of \$583,100.00 on July 28, 2006, which was secured by the Mortgage described above.
3. Daniggelis is joined in this foreclosure case because on April 20, 2007, he filed a forgery claim at the office of the Cook County Recorder of Deeds subsequent to M.E.R.S.' recording of the Mortgage executed by Joseph Younes on July 28, 2006.
4. It is significant that Daniggelis' Motion admits that he has no legal relations with the Plaintiff and that the parties are complete strangers. Daniggelis makes a judicial admission that there

is no privity of contract with Plaintiff. Daniggelis was not a mortgagor or guarantor of the loan described in Plaintiff's complaint which was accepted by Defendant Joseph Younes to purchase the Property on July 28, 2006.

5. On October 17, 2007, M.E.R.S.'s assignee GMAC Mortgage LLC filed a verified complaint and all subsequent pleadings were verified.
6. Daniggelis filed a verified Third Amended Answer, Affirmative Defenses (*sic*) and Counterclaims on December 3, 2009, Daniggelis however plead only one affirmative defense, captioned "Joseph Younes never had good title to Daniggelis' home", this pleading is also attached to Plaintiff's Motion for Summary Judgment on Counts II and III of its Third Amended Complaint, and is incorporated hereunder by reference as though fully recited in this answer.
7. Daniggelis filed a verified Answer to Plaintiff's Third Amended Verified Complaint on February 17, 2012, pleading only one Affirmative Defense Count I" "common law fraud against U.S. Bank, N.A." Daniggelis did not reallege the earlier Counterclaims or Affirmative Defenses (*sic*) found in his third amended answer.
8. Daniggelis Affirmative Defense filed with his answer on February 17, 2012, was dismissed by the Court in the Order entered on July 13, 2012, a true copy of this order is attached as **Answer Exhibit A.**
9. Daniggelis has never plead any affirmative defense based on Plaintiff's standing. Daniggelis now raises standing for the first time in his unverified motion for summary judgment, 5 years after this case was filed.

10. The original Note executed by defendant Joseph Younes is attached to the affidavit propounded by Rashad Blanchard, attached to Plaintiff's Motions for Summary Judgment, which Plaintiff filed on September 7, 2012; on Count I, II and III of the Third Amended Complaint. A true copy of the Note and Rashad Blanchard's Affidavit is attached and incorporated herein as **Answer Group Exhibit B**. The Note is attached to Rashad Blanchard's Affidavit as his Exhibit 1.
11. The original Note executed by Joseph Younes, Defendant, was inspected by Andjelko Galic, Daniggelis' attorney at the office of Plaintiff's co-counsel, Pierce and Associates on November 4, 2011, where he reviewed the original Note and was given a copy of the Note at that time. Pierce and Associates appeared in this case for the initial Plaintiff GMAC Mortgage LLC, when the complaint was filed on October 17, 2007. Attached is an Affidavit signed by John Knopic, a lawyer with Pierce and Associates in which he testifies that Mr. Galic appeared at his office on November 4, 2011, reviewed the original Note executed by Joseph Younes and Mr. Galic was given a copy of the original Note he examined at that time.

### ARGUMENT

12. Daniggelis' Motion is not supported by affidavit, deposition transcript, prior pleadings or admissions on file.
13. Daniggelis' Motion does not respond to Counts II and III of Plaintiff's Third Amended Complaint, equitable subrogation and unjust enrichment. The Motion only attacks Plaintiff's standing in relation to Count I of its complaint, an action to foreclose a mortgage. Daniggelis' motion disregards Plaintiff's payment to retire his judgment creditor Deutsche

Bank in July, 2006 which resulted in a substantial windfall; as alleged in the Third Amended Complaint Counts II and III and Plaintiff's Motion for Summary Judgment filed on September 7, 2012, and set for hearing on February, 2013. Plaintiff has clearly alleged it's capacity to sue as holder of the Note.

14. Daniggelis continues to live at the Property since July 28, 2006, debt free, and he should not escape paying Plaintiff, pursuant to Counts II and III of the Third Amended Complaint, after he succeeds in his quiet title action.
15. Daniggelis' Motion fails to allege any evidence in support of his conclusion that Plaintiff lacks standing at the time the suit was filed or any other time thereafter.
16. Daniggelis attaches to his Motion "Exhibit 1," a purported assignment of the mortgage executed by Joseph Younes on July 28, 2006. The mortgagee in the Mortgage that Joseph Younes executed is M.E.R.S, Inc., as Nominee for HLB Mortgage, the date of recording of Mortgage, August 16, 2006, place of recording, Office of the Recorder of Deeds of Cook County, Illinois, the identification of recording, document number 0622826138. Daniggelis' motion Exhibit 1, the purported assignment, is made by HLB Mortgage, not M.E.R.S., the mortgagee, it does not contain a legal description or a permanent index number or a stamp from the Recorder of Deeds of Cook County, Illinois indicating it was recorded; it does not identify the mortgage which it purported to assign; it is not in recordable form.
17. Daniggelis Motion Exhibit 1, on its face is void since M.E.R.S. the mortgagee in the Mortgage dated July 28, 2006, did not execute it. Daniggelis by presenting this purported assignment has the burden to prove its validity.

18. Plaintiff in its answer to a 214 production request made by Daniggelis gave Daniggelis documents which were “bates” stamped. Daniggelis attached the purported assignment of mortgage made by HLB Mortgage on August 1, 2006 to American Home Mortgage, his motion exhibit 1; Daniggelis’ motion overlooked the following bates stamped documents Plaintiff also produced stamped pages numbered 156 (the second page to his Exhibit 1), 157 and 158, an assignment that was executed and notarized on August 1, 2006, by American Home Mortgage, “assignor” on the same date as Daniggelis’ Motion Exhibit 1, August 1, 2006. True copies of the above pages, including the assignment from American Home Mortgage bates stamped, 156, 157 and 158, are attached as **Answer Group Exhibit C**.
19. Daniggelis by first raising the purported assignment between HLB Mortgage and American Home Mortgage in his Motion has the burden to prove that it was recorded in the office of the Cook County Recorder of Deeds and was valid, he did not meet the burden.

#### STANDING

20. GMAC Mortgage LLC filed this case on October 17, 2007 and the assignment of the mortgage executed by Joseph Younes, mortgagor was dated October 16, 2007. Plaintiff’s capacity to bring foreclosure agency the IMFA at section 15-1504(a)(3)(N) provides in part that:

“Capacity in which plaintiff brings this foreclosure (here indicate whether plaintiff is the legal holder of the indebtedness, a pledgee, an agent, the trustee under a trust deed or otherwise, as appropriate)”. Plaintiff as Trustee is the Plaintiff and its agent Ocwen, a power of attorney was attached to the Affidavit of Rashad Blanchard, Answer Exhibit B.

21. A foreclosure complaint under Illinois Mortgage Foreclosure Law (herein IMFA) section 15-1504(a)(b) is sufficient if it contains the statement and requests called for by the form in sections (5-1504(a)(b). *Mortgage Electronic Registration Systems, Inc ("MERS") v. Barnes*, 406 Ill.App.3d 1, 940 N.E.2d 118 (1<sup>st</sup> Dist.2010), Plaintiff's Third Amended Complaint conforms to the IMFA.
22. The suit was filed by GMAC Mortgage LLC not LaSalle Bank who was a subsequent assignee. A copy of the recorded assignments of mortgage are set out in Rashad Blanchard's Affidavit, attached to this Answer as Answer Exhibit B.
23. Daniggelis' Motion does not conform to Illinois law since Plaintiff is the holder of the Note. Daniggelis misreads the endorsements on the Note. American Home Mortgage re-endorsed the note in blank, creating bearer paper. Daniggelis concludes that Plaintiff "purports to be the owner of the Note and mortgage", but then ignores the reality that his attorney held and inspected the original Note. (See John Knopic Affidavit attached). It is well settled law in Illinois that possession of bearer paper is *prima facie* evidence of title and sufficient to entitle a Plaintiff to a decree of foreclosure. See *Joslyn v. Joslyn*, 386 Ill.387, 395, 54 N.E.2d 475 (1944).
24. Plaintiff by signing a verified complaint and producing the original note in this matter, has met its burden pursuant to 735 ILCS 5/15-1504(a). See *Mortgage Electronic Registration Systems, Inc ("MERS") v. Barnes*, 406 Ill.App.3d 1, 940 N.E.2d 118 (1<sup>st</sup> Dist.2010).
25. Daniggelis incorrectly states the Illinois common law regarding standing. Plaintiff does not have the burden to produce evidence that it has standing but Daniggelis has the burden to plead and prove standing as an affirmative defense. The party who asserts lack of standing

as a defense has the burden of proving it. *Bank of America v. Bassman*, FBT (2d Dist 2012)120164, rehearing denied December 28, 2012.

26. The Illinois Supreme Court in *Greer v. Illinois Housing Development Authority*, 122 Ill 2d 462, 508, 524 N.E.2d 561 (1988) stated an affirmative defense will be forfeited if not raised in a timely fashion in the trial court. It is the burden of the party claiming lack of standing to plead and prove same. *Lebron v. Gottlieb Memorial Hospital*, 237 Ill.2d 217, 252-3, 930 N.E.2d 895 (2010). Daniggelis refers to standing in his motion for summary judgment for the first time almost 5 years after this case was filed. Daniggelis does not contend that he raised the issue of standing in an affirmative defense at anytime before filing his motion for summary judgment.
27. Daniggelis' motion does not allege any facts or evidence to support his conclusions to attack the foreclosure action in Count I, where he has admitted no privity of contract.
28. Daniggelis' Motion concludes that the second and third amended complaints failed to allege how GMAC required any interest in the property, however that is not true; there is an assignment of mortgage between M.E.R.S. as nominee for HLB Mortgage to GMAC Mortgage LLC, a copy is attached to Rashad Blanchard's Affidavit and prior amended complaints and was produced to Daniggelis in the past.
29. Daniggelis' reference to the lost assignment affidavit executed by Linda Green to LaSalle Bank is irrelevant since it refers to a mortgage not the Note and it was made after the suit was filed and was corrected. At the time the complaint for foreclosure was filed GMAC Mortgage was the assignee of the mortgage as of October 16, 2007, a day before filing the complaint. The lost assignment affidavit attached to Daniggelis motion is irrelevant it only



referred to a lost assignment of mortgage and not the underlying Note. Subsequent amended complaints attached recorded assignments. This argument does not affect the chain of title to the Note. See Rashad Blanchard's affidavit attached as Answer Exhibit B.

30. This Court denied Daniggelis' former motion to extend discovery in the order entered on July 24, 2012, (herein "Order") a true of the Order is attached and made a part hereof as **Answer Exhibit D**. This Order also advised Daniggelis that he lacked standing to argue the merits of a certain "Pooling Agreement". Illinois law is that Mortgagors lack standing to attack mortgage assignments which they are not a party to. See *Bank of America v. Bassman*, FBT (2<sup>nd</sup> Dist.2012), where the Court cited:

The *Livonia Property Holdings* court relied on section 132 of Corpus Juris Secundum (Assignments) (2004), which states, in part, as follows:

"A debtor may, generally, assert against an assignee all equities or defenses existing against the assignor prior to notice of the assignment, any matters rendering the assignment absolutely invalid or ineffective, and the lack of the plaintiffs title or right to sue; but, if the assignment is effective to pass legal title, the debtor cannot interpose defects or objections which merely render the assignment voidable at the election of the assignor or those standing in his or her shoes." 6A C.J.S. Assignments § 132 (2004).

Daniggelis is not a debtor.

31. Daniggelis claims in his motion that Plaintiff failed to produce mortgages but this Court denied his motion to extend discovery, see Order. Daniggelis' argument over "discovery" fails to create a genuine issue of material fact under Illinois summary judgment law.
32. The Order recognized that Daniggelis was on the wrong path spending his time inspecting the mortgages, the assignments and pooling agreement, transactions where he lacked any interest or privity of contract. Daniggelis' motion for summary judgment was filed on

August 27, 2012, after the entry of the Order of July 24, 2012, without a doubt, Daniggelis' Motion disregards the language of the Order.

33. Daniggelis' verified Third Amended Answer and Counterclaim confirms that he has no defense to Counts II and III of Plaintiff's Third Amended Complaint. Plaintiff in its Motion for Summary Judgment on Counts II and III stated that Daniggelis never answered Plaintiff's Affirmative Defenses to his Third Amended Counterclaims which are therefore admitted. See Plaintiff's Motion for Summary Judgment, Counts II and III filed on September 7, 2012.
34. The Court must also deny Daniggelis' Motion regarding Counts II and III of its Third Amended Complaint based on equitable subrogation of Deutsche Bank's mortgage lien and deny Daniggelis' Motion for Summary Judgment on Count III of Plaintiff's Third Amended Complaint, unjust enrichment. Daniggelis offers no defense to Plaintiff's allegations that he was unjustly enriched. Plaintiff's action against Daniggelis in Counts II and III of its Third Amended Complaint Equitable Subrogation and Unjust Enrichment, bars recovery to Daniggelis' on his Motion for Summary Judgment.
35. A recent first district appellate decision, *Nationwide Advantage Mortgage Co. v. Ortiz*, 925 N.E.2d 178 (1<sup>st</sup> Dist.2012) is applicable to the law of standing and unjust enrichment. The mortgagor in *Nationwide Advantage Mortgage Co. v. Ortiz*, lived in the property for over two years without paying his lender. Daniggelis has lived in the Property for "free" at least since July 28, 2006 when HLB Mortgage paid his debt, and lived there before July 28, 2006, which led to the Deutsche Bank foreclosure. See Summary Judgment Counts II and III.

The *Nationwide Advantage Mortgage Co. v. Ortiz* appellate decision stated in part:

"Although it is in the public interest to prevent lenders from filing foreclosure actions before the note has been assigned to them (Cook Co. Cir. Ct. Mortgage Foreclosure

Courtroom Procedures, [\*\*17] Particular Motions 11(B)(2) (eff. Apr. 1, 2011)), it is also in the public interest to prevent defendants in mortgage foreclosure actions, who have consistently defaulted on their mortgage payments, from raising a standing defense so late in the case in an attempt to further evade their financial commitments... the fact that defendant was living on the subject property for nearly two years without making a mortgage payment cannot be ignored. Furthermore, at the time the foreclosure action was filed, defendant had not made a mortgage payment in eight months. Therefore, after several months of evading payment on his mortgage, defendant's inability to raise a defense based on plaintiff's lack of standing is not unfair. Although there are concerns about the documentation practices of the lending industry, it is for the legislature to cure these evils. It is this court's role to follow the law as made and provided, and to follow precedent under stare decisis, and in this case, Barnes is controlling.

*Mortgage Electronic Registration Systems, Inc ("MERS") v. Barnes*, 406 Ill.App.3d 1, 940 N.E.2d 118 (1<sup>st</sup> Dist.2010)"

36. Plaintiff stated a cause of action for equitable subrogation and unjust enrichment, in Counts II and III of the Third Amended Complaint. Daniggelis in the common allegations of his Verified Third Amended Answer, Affirmative Defenses and Counterclaims acknowledged the payment by Plaintiff's predecessor HLB Mortgage to his former lender Deutsche Bank which Plaintiff attached to its Motion for Summary Judgment, Counts II and III; Daniggelis is living at the Property for "free" since at least July, 2006. That is an injury to Plaintiff and unjust enrichment to Daniggelis. In Illinois mortgage foreclosure actions are equitable actions. *Nationwide Advantage Mortgage Co. v. Ortiz*, 925 N.E.2d 178 (1<sup>st</sup> Dist.2012).
37. Daniggelis bases his arguments as though he is the mortgagor, like Joseph Younes ignoring his own admissions that he had no privity of contract with Plaintiff or its predecessors; and ignoring the verified allegations he made in his Third Amended Answer, Affirmative Defenses and Counterclaim.

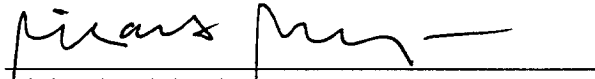
## CONCLUSION

38. Daniggelis' motion for summary judgment fails to advance either a legal basis or factual reason to award summary judgment on Count I foreclosure, Count II equitable subrogation or Count III unjust enrichment, it must be denied.
39. Daniggelis cannot ignore his answer to Plaintiffs Third Amended Complaint which are largely based upon "information and belief"; those answers are not equivalent to an allegation of relevant fact. *Whitley v. Frazier*, 21 Ill.2d 292 (1961).
40. Summary judgment should be granted only if the moving party's right to prevail is "clear and free from doubt." (Internal quotation marks omitted.) *Kociscak v. Kelly*, 962 N.E.2d 1062, (1<sup>st</sup> Dist.2011) 102811. When considering a motion for summary judgment, a court must construe the record strictly against the movant and liberally in favor of the opposing party. *Hunt v. Farmers Insurance Exchange*, 357 Ill. App. 3d 1076, 1077 (2005). All reasonable inferences are to be drawn in favor of the opponent of the motion. *Eakins v. New England Mutual Life Insurance Co.*, 130 Ill. App. 3d 65, 68 (1984).
41. Summary Judgment should be awarded and entered when the pleadings, depositions, admissions and affidavit(s) establish that there is no genuine issue as to any material fact and that the moving parties are entitled to a judgment as a matter of law. (735 ILCS 5/2-1005(C))
42. Daniggelis as movant, failed to establish any element of his claims, summary judgment is not appropriate. *Dardeen v. Kuehling*, 213 Ill.2d 329, 335, 290 Ill.Dec.176, 821 N.E.2d 227, 230-231 (2004).
43. Daniggelis moving for summary judgment failed to meet his burden of production by either presenting evidence that, if left un rebutted, would entitle him to judgment as a matter of law

or by demonstrating that the plaintiff would be unable to prove an element of its cause of action. *Bourgonje v. Machev*, 362 Ill.App.3d 984, 994, 298 Ill.Dec.953, 841 N.E.2d at 106 (2005).

WHEREFORE Plaintiff/Counter-Defendant U.S. Bank National Association, a national banking association as successor trustee to Bank of America, N.A., as Trustee for Morgan Stanley Loan Trust 2006-16AX prays that this Honorable Court deny Defendant/Counter-Plaintiff Richard Daniggelis' Motion for Summary Judgment; and for such other and further relief as the Court deems fit.

Plaintiff, U.S. Bank National Association, a national banking association as successor Trustee to Bank of America, N.A., as Trustee for Morgan Stanley Loan Trust 2006-16AX, assignee of GMAC Mortgage, LLC



Richard Indyke, its attorney

Richard Indyke  
Attorney for Plaintiff/Counter-Defendant  
221 North LaSalle Street, Suite 1200  
Chicago, Illinois 60601  
312-332-2828  
Atty No. 20584

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION

GMAC Mortgage LLC,	)	
U.S. Bank National Association, a national banking	)	
association as successor trustee to Bank of America, N.A.,	)	
as Trustee for Morgan Stanley Loan Trust 2006-16AX,	)	Case No. 07 CH 29738
Plaintiff/Counter-Defendant,	)	
v.	)	Judge Michael F. Otto
Richard Daniggelis,	)	
Defendant/Counter-claimant and cross-claimant,	)	Cal. 61
	)	
Joseph Younes, Mortgage Electronic Registration	)	1720 North Sedgwick Ave.,
Systems., Inc as Nominee for HLB Mortgage,	)	Chicago, Illinois
Paul Shelton, Erika Rhone and Stewart Title of Illinois and	)	
Unknown Owners,	)	
Defendants/Cross-Defendants.	)	

**AFFIDAVIT OF JOHN KNOPIC**

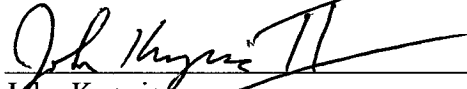
John Knopic, an attorney at Pierce and Associates, being first duly sworn on oath, deposes and states as follows:

1. I am over 18 years of age and I have personal, first hand knowledge of, and could positively testify to, the things and matters set forth herein.
2. I am an attorney employed by Pierce and Associates, (herein "Pierce") a law firm located at 1 North Dearborn, Suite 1300, Chicago, Illinois 60602, continually since October 22, 2007. Pierce filed the initial complaint for foreclosure in this matter on October 17, 2007 at that time GMAC Mortgage, LLC was the Plaintiff.
3. Pierce had possession of the original Note executed by Mortgagor and Defendant Joseph Younes on July 28, 2006 in favor of HLB Mortgage, until June 25, 2012 when the Note was returned to Ocwen, Plaintiff's agent.
4. I reviewed Pierce's business records including emails I sent on November 3, 2011, that were made in the ordinary course of business at or near the time of the transaction, to refresh my recollection only as to the date and time when Andjelko Galic, Mr. Daniggelis' attorney

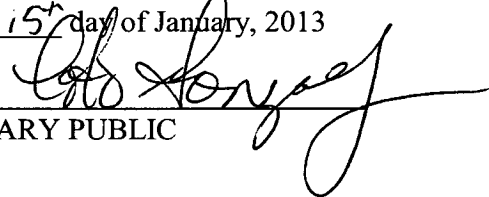
inspected Mr. Younes' original Note. Andjelko Galic sent an email to me on November 3, 2011 confirming an appointment to review Mr. Younes' Note on November 4, 2011.

5. Andjelko Galic came to Pierce's offices on November 4, 2011 at approximately 1:30 p.m. At that time he was given the original Younes Note to inspect and a copy of such Note to take with him. A true copy of such Note is attached a made a part of this affidavit as **Affidavit Exhibit A.**

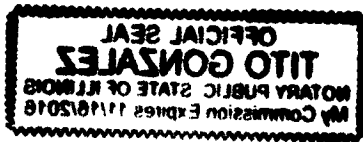
FURTHER AFFIANT SAYETH NAUGHT.

  
John Knopic.

SIGNED and SWORN to before me  
this 15<sup>th</sup> day of January, 2013

  
NOTARY PUBLIC







2000538996

# ADJUSTABLE RATE NOTE

(6-Month LIBOR Index - Rate Caps)

(Assumable during Life of Loan) (First Business Day of Preceding Month Lookback)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

July 28, 2006  
[Date]

OAKBROOK  
[City]

Illinois  
[State]

1720 N Sedgwick St, Chicago, IL 60614  
[Property Address]

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S.\$ 583,100.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is HLB Mortgage

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

## 2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 8.750 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

## 3. PAYMENTS

### (A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the first day of each month beginning on September 1, 2006

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on August 1, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at PO Box 660029, Dallas, TX 75266-0029

or at a different place if required by the Note Holder.

### (B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S.\$ 4,587.25. This amount may change.

### (C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

DOC #: 319891

APPL #: 0001383919

MULTISTATE ADJUSTABLE RATE NOTE - 6-Month LIBOR Index (Assumable during Life of Loan) (First Business Day Lookback) - Single Family - Freddie Mac UNIFORM INSTRUMENT

VMP-815N (0404)

UMS1 0404

Form 5520.3/04

VMP Mortgage Solutions (800)321-7291

Page 1 of 4

Initials: *gy*



#### 4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

##### (A) Change Dates

The interest rate I will pay may change on the first day of August, 2011, and may change on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

##### (B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the six month London Interbank Offered Rate ("LIBOR") which is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market, as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

##### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Five percentage point(s) ( 5.000 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

##### (D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 13.750 % or less than 5.000 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One percentage point(s) ( 1.000 %) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 13.750 %.

##### (E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

##### (F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

#### 5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payment unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

#### 6. LOAN CHARGES


If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this 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 me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

DOC #: 319892

APPL #: 0001383919

VMP-815N (04/04)

Page 2 of 4

Form 5520/04  
Initials: 

## 7. BORROWER'S FAILURE TO PAY AS REQUIRED

### (A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of Fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

### (B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

### (C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### (D) No Waiver by Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

### (E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

## 8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

## 9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

## 10. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

## 11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, 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 given in accordance with Section 15 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.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Joseph Younes (Seal) \_\_\_\_\_ (Seal)  
Joseph Younes -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower PAY TO THE ORDER OF -Borrower

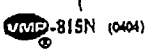
PAY TO THE ORDER OF

AMERICAN HOME MORTGAGE  
WITHOUT RECOURSE  
BY: A.H.M. MORTGAGE

WITHOUT RECOURSE  
BY: AMERICAN HOME MORTGAGE

RENEE BURY  
ASST. SECRETARY

[Sign Original Only]



## ADDENDUM TO NOTE

This addendum is made July 28th, 2006 and is incorporated into and deemed to amend and supplement the Adjustable Rate Note of the same date.

The property covered by this addendum is described in the Security Instrument and located at:

1720 N Sedgwick St Chicago, IL 60614

### AMENDED PROVISIONS

In addition to the provisions and agreements made in the Note, I/we further covenant and agree as follows:

### ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 13.750% or less than 5.000 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than 1.000 percentage point(s) (1.000 %) from the rate of interest I have been paying for the preceding six (6) months. My interest rate will never be greater than 13.750%. My interest rate will never be less than 5.000 %.

### UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions read as follows:

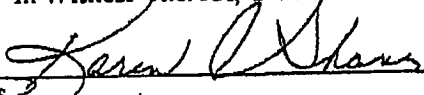
**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. This loan is not assumable. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

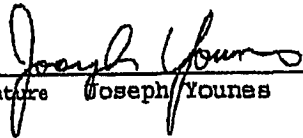
If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails 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.

To the extent the provisions of this addendum conflict with the provisions of the Note, Security Instrument or Adjustable Rate Rider, this Addendum shall control.

In Witness Whereof, Trustor has executed this addendum.

Witness 

July 28, 2006  
Date

  
Borrower Signature Joseph Younes

1201 LIBOR Addendum to Note

Doc # 944539/ Image: 944539.pxn App# 0001383919

AIM-2010R(MULT)(10/05)

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS

GMAC MORTGAGE LLC et al  
PLAINTIFFS

v.

RICHARD DANIGGELIS - Defendant  
COUNTER PLAINTIFF et al

No. 07 CA 29738

CAL 61

**ORDER**

THIS CAUSE COMING ON TO BE HEARD UPON PLAINTIFF'S MOTIONS TO DISMISS RICHARD DANIGGELIS' AMENDED COUNT I COUNTERCLAIM - AFFIRMATIVE DEFENSE AND TO QUASH HIS 216 REQUEST, THIS HONORABLE COURT BEING ADVISED IN THE PREMISES, IT IS HEREBY ORDERED:

1) THE 216 REQUEST PROPOUNDED BY RICHARD DANIGGELIS IN HIS PLAINTIFF IS STRICKEN.

2) THE PLAINTIFF'S MOTION TO DISMISS (2-6-12) RICHARD DANIGGELIS' AMENDED COUNTERCLAIM - AFFIRMATIVE DEFENSE COUNT I IS ~~granted~~ <sup>granted</sup> WITHOUT LEAVE TO AMEND.

3) RICHARD DANIGGELIS IS GRANTED TO 7-9-12 TO FILE A REPLY IN SUPPORT OF HIS MOTION TO EXTEND DISCOVERY.

4) THE MOTION TO EXTEND DISCOVERY IS RECALLED FOR HEARING ON JULY 20, 2012 AT 3:00 PM WITHOUT FURTHER NOTICE.

5) THE COURT FOLLOWED THE BESSINANT 2ND DISTRICT DECISION WHICH FOLLOWED NEW YORK LAW ON STANDING TO OBJECT TO POOL AGREEMENTS.

Atty. No.: 20584

Name: RICHARD INDYKE ENTERED: and because the court favors the use of RTAF in foreclosure cases.

Atty. for: PLAINTIFF

Dated: \_\_\_\_\_

Address: 221 N. LA SALLE ST STE 1200

City/State/Zip: CHICAGO, IL 60601

Telephone: 312-332-2828

**ENTERED**  
Assoc. Judge Mathias William Delort-1950

JUL 13 2012

DOROTHY BROWN  
CLERK OF THE CIRCUIT COURT  
OF COOK COUNTY, IL  
DEPUTY CLERK

Judge \_\_\_\_\_ Judge's No. \_\_\_\_\_

DOROTHY BROWN, CLERK OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION

GMAC Mortgage LLC,	)	
U.S. Bank National Association, a national banking	)	
association as successor trustee to Bank of America, N.A.,	)	
as Trustee for Morgan Stanley Loan Trust 2006-16AX,	)	Case No. 07 CH 29738
Plaintiff/Counter-Defendant,	)	
v.	)	Judge Delort
Richard Daniggelis,	)	
Defendant/Counter-claimant and cross-claimant,	)	Cal. 61
	)	
Joseph Younes, Mortgage Electronic Registration	)	1720 North Sedgwick Ave.,
Systems, Inc as Nominee for HLB Mortgage,	)	Chicago, Illinois
Paul Shelton, Erika Rhone and Stewart Title of Illinois and	)	
Unknown Owners,	)	
Defendants/Cross-Defendants.	)	

AFFIDAVIT OF RASHAD BLANCHARD

I, Rashad Blanchard, being first duly sworn on oath, deposes and states as follows:

1. I am over 18 years of age and I have personal, firsthand knowledge of, and could positively testify to, the things and matters set forth herein.
2. I am employed by Ocwen Loan Servicing, LLC (herein "Ocwen") a duly authorized agent of U.S. Bank National Association, a national banking association as successor trustee to Bank of America, N.A. as Trustee for Morgan Stanley Loan Trust 2006-16AX, Plaintiff in this case. A true copy of the limited power of attorney executed by Plaintiff which nominates Ocwen to act for Plaintiff as set out therein as Exhibit A attached.
3. This Affidavit is submitted in support of Plaintiff's Motion for Summary Judgment, Default, Default Judgment, Judgment of Foreclosure and Sale. If called to testify in this matter, I would testify based upon my position of employment and personal knowledge




- of the business records which are kept in the ordinary course of Ocwen's business which I have access to pursuant to my position. I give my affidavit based upon such knowledge.
4. I have examined and am familiar with the loan documents which are a part of the loan which include the promissory note and mortgage and incorporated in the Plaintiff's pleadings which I have reviewed.
  5. I am familiar with the account history of the promissory note at issue in this case involving Joseph Younes ("Younes") including the promissory note and account balances, and have personal knowledge of the account balance and payment history as to the promissory note and mortgage at issue in this case.
  6. In the normal course of my employment, I am familiar with the calculation of unpaid principal and interest under promissory notes, including the note executed by Younes.
  7. I have reviewed the promissory note, mortgage and other financial and business records in Ocwen's possession regarding the Younes account.
  8. Plaintiff, U.S. Bank National Association, as Trustee for Morgan Stanley Mortgage Loan Trust 2006-16AX, Mortgage Pass-Through Certificates, Series 2006-16AX, is the Successor in interest to the original mortgage of MERS as nominee for HLB Mortgage by assignment made by GMAC Mortgage LLC (herein "GMAC").
  9. Plaintiff is the holder of the original note executed by Younes as described in this case in the principal sum of Five Hundred Eighty-Three Thousand One Hundred Dollars (\$583,100.00), a true copy is attached as Exhibit 1.
  10. According to the Promissory Note, Younes agreed to make monthly principal and interest payments through the maturity date of the Promissory Note August 1, 2036, wherein, at

that time, all remaining principal and interest under the Promissory Note would be due.  
(Exhibit 1).

11. To secure the Promissory Note, Younes made, executed, and delivered to Mortgage Electronic Registration Systems (herein "MERS"), as nominee for HLB Mortgage, a mortgage, recorded with the Cook County Recorder of Deeds on August 16, 2006 as Document No. 0622826138 encumbering the real estate commonly known as 1720 North Sedgwick Street Chicago, Illinois 60614(the "Mortgage"). (A true and accurate copy of the Mortgage is attached hereto as Exhibit 2.)
12. According to the records reflected in the Office of the Cook County Recorder of Deeds, HLB through MERS assigned the Mortgage to GMAC Mortgage LLC (herein "GMAC") and GMAC assigned the mortgage to Plaintiff. GMAC assigned Younes mortgage to Plaintiff prior to June 6, 2011, this assignment was recorded in the office of the Cook County Recorder of Deeds on July 12, 2011 as document number 1119310040 which are attached to Third Amended Complaint.
13. My review of Younes account history was performed by reviewing the account records that indicate Younes is in default of his obligations under the Promissory Note by his failure to pay any monthly payments pursuant to the Note after May 1, 2007.
14. As of August 22, 2012, the amount of principal, interest, late fees and protective advances owed to Plaintiff not including all attorneys' fees and litigation owed to Plaintiff is \$891,874.63 comprised of items set out on Exhibit 3 (Payoff Quote) attached hereto and incorporated hereunder, and owed by Younes. Attached hereto as Exhibit 4 is a true and accurate copy of a Ocwen's transaction history. .

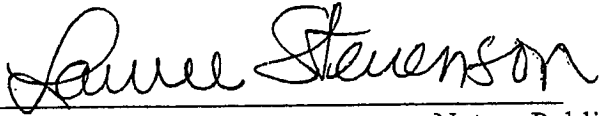
- 15.. Ocwen's transaction history is a memorandum or record of any event of payment, failure to make payment, and balances due and owing on Younes' loan.
- 16.. The information contained in the transaction history is recorded at the time, and contemporaneous with, any event of payment, failure to make payment, and balances due and owing.
- 17.. Plaintiff is the holder of the Promissory Note secured by the Mortgage, and has the right to enforce the rights and obligations thereto.
- 18.. Attached to the Complaint are true and correct copies of the Promissory Note and Mortgage which Younes executed and delivered.

FURTHER AFFIANT SAYETH NAUGHT.

  
 Rashad Blanchard  
 Loan Analyst  
 Ocwen Loan Servicing, LLC

STATE OF Florida )  
 COUNTY OF Palm Beach ) ss.

On August 28, 2012, before me, Laurie Stevenson, a Notary Public in and for said County and State, personally appeared Rashad Blanchard personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name(s) is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.



Notary Public – State of Florida

My Commission Expires:



Laurie Stevenson  
 MY COMMISSION # EE 041256  
 EXPIRES: November 11, 2014  
 Bonded Thru Budget Notary Services

# EXHIBIT A

Document drafted by and  
RECORDING REQUESTED BY:  
Ocwen Loan Servicing, LLC  
1661 Worthington Road, Suite 100  
West Palm Beach, FL 33409

2535

SPACE ABOVE THIS LINE FOR RECORDER'S USE

#### LIMITED POWER OF ATTORNEY

The trusts identified on the attached Schedule A (the "Trusts"), by and through U.S. Bank National Association, a national banking association organized and existing under the laws of the United States and having an office at 60 Livingston Avenue, EP-MN-WS3D, St. Paul, MN 55107, not in its individual capacity but solely as Trustee ("Trustee"), hereby constitutes and appoints Ocwen Loan Servicing, LLC, ("Servicer"), and in its name, aforesaid Attorney-In-Fact, by and through any officer appointed by the Board of Directors of Servicer, to execute and acknowledge in writing or by facsimile stamp all documents customarily and reasonably necessary and appropriate for the tasks described in the items (1) through (5) below; provided however, that the documents described below may only be executed and delivered by such Attorneys-In-Fact if such documents are required or permitted under the terms of the related servicing agreements and no power is granted hereunder to take any action that would be adverse to the interests of U.S. Bank National Association. This Limited Power of Attorney is being issued in connection with Servicer's responsibilities to service certain mortgage loans (the "Loans") held by U.S. Bank National Association, as Trustee. These Loans are secured by collateral comprised of Mortgages, Deeds of Trust, Deeds to Secure Debt and other forms of Security instruments (collectively the "Security Instruments") encumbering any and all real and personal property delineated therein (the "Property") and the Notes secured thereby.

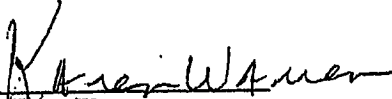
1. Demand, sue for, recover, collect and receive each and every sum of money, debt, account and interest (which now is, or hereafter shall become due and payable) belonging to or claimed by U.S. Bank National Association, as Trustee, and to use or take any lawful means for recovery by legal process or otherwise, including but not limited to the substitution of trustee serving under a Deed of Trust, the preparation and issuance of statements of breach, notices of default, and/or notices of sale, taking deeds in lieu of foreclosure, evicting (to the extent allowed by federal, state or local laws) and foreclosing on the properties under the Security Instruments.
2. Execute and/or file such documents and take such other action as is proper and necessary to defend U.S. Bank National Association, as Trustee in litigation and to resolve any litigation where the Servicer has an obligation to defend U.S. Bank National Association, as Trustee.
3. Transact business of any kind regarding the Loans, as U.S. Bank National Association, as Trustee's act and deed, to contract for, purchase, receive and take possession and evidence of title in and to the Property and/or to secure payment of a promissory note or performance of any obligation or agreement relating thereto.
4. Execute bonds, notes, mortgages, deeds of trust and other contracts, agreements and instruments regarding the Borrowers and/or the Property, including but not limited to the execution of releases, satisfactions, assignments, loan modification agreements, loan assumption agreements, subordination agreements, property adjustment agreements, and other instruments pertaining to mortgages or deeds of trust, bills of sale and execution of deeds and associated instruments, if any, conveying or encumbering the Property, in the interest of U.S. Bank National Association, as Trustee.
5. Endorse on behalf of the undersigned all checks, drafts and/or other negotiable instruments made payable to the undersigned.

Servicer hereby agrees to indemnify and hold U.S. Bank National Association, as Trustee, and its directors, officers, employees and agents harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever incurred by reason or result of the exercise by the Servicer of the powers specifically granted to it under the related servicing agreements. The foregoing indemnity shall survive the termination of this Limited Power of Attorney and the related servicing agreements or the earlier resignation or removal of U.S. Bank National Association, as Trustee under the related servicing agreements listed on Schedule A, attached.

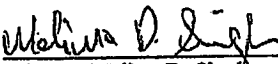
Witness my hand and seal this 13th day of April, 2012.

NO CORPORATE SEAL

On Behalf of the Trusts, by  
U.S. Bank National Association, as Trustee

  
Witness: Karen Warren

By:   
Jason Ross, Vice President

  
Witness: Melissa D. Singh

By:   
Becky Warren, Vice President

  
Attest: Jesse Barkdull, Trust Officer

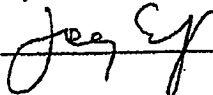
**CORPORATE ACKNOWLEDGMENT**

State of Minnesota

County of Ramsey

On this 13th day of April, 2012, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Jason Ross, Becky Warren and Jesse Barkdull, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument as Vice President, Vice President and Trust Officer, respectively of U.S. Bank National Association, a national banking association, and acknowledged to me that such national banking association executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Signature: 

My commission expires: 01/31/2016

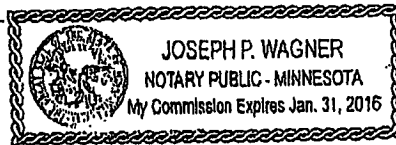


EXHIBIT "A"

Morgan Stanley Mortgage Loan Trust 2006-1AR, Mortgage Pass-Through Certificates, Series 2006-1AR

Morgan Stanley Mortgage Loan Trust 2006-3AR, Mortgage Pass-Through Certificates, Series 2006-3AR

Morgan Stanley Mortgage Loan Trust 2006-5AR, Mortgage Pass-Through Certificates, Series 2006-5AR

Morgan Stanley Mortgage Loan Trust 2006-6AR, Mortgage Pass-Through Certificates, Series 2006-6AR

Morgan Stanley Mortgage Loan Trust 2006-8AR, Mortgage Pass-Through Certificates, Series 2006-8AR

Morgan Stanley Mortgage Loan Trust 2006-9AR, Mortgage Pass-Through Certificates, Series 2006-9AR

Morgan Stanley Mortgage Loan Trust 2006-13ARX, Mortgage Pass-Through Certificates, Series 2006-13ARX

Morgan Stanley Mortgage Loan Trust 2007-15ARX, Mortgage Pass-Through Certificates, Series 2007-15ARX

Morgan Stanley Mortgage Loan Trust 2007-2AX

Morgan Stanley Mortgage Loan Trust 2007-5AX, Mortgage Pass-Through Certificates, Series 2007-5AX

Morgan Stanley Mortgage Loan Trust 2007-6XS, Mortgage Pass-Through Certificates, Series 2007-6XS

Morgan Stanley Mortgage Loan Trust 2006-1AR, Mortgage Pass-Through Certificates, Series 2006-1AR

Morgan Stanley Mortgage Loan Trust 2006-15XS, Mortgage Pass-Through Certificates, Series 2006-15XS

Morgan Stanley Mortgage Loan Trust 2006-17XS, Mortgage Pass-Through Certificates, Series 2006-17XS

Morgan Stanley Mortgage Loan Trust 2006-8XS, Mortgage Pass-Through Certificates, Series 2006-8XS

Morgan Stanley Mortgage Loan Trust 2006-10XS, Mortgage Pass-Through Certificates, Series 2006-10XS

Morgan Stanley Mortgage Loan Trust 2006-16AX, Mortgage Pass-Through Certificates, Series 2006-16AX

Morgan Stanley Mortgage Loan Trust 2006-11AR, Mortgage Pass-Through Certificates, Series 2006-11AR

Morgan Stanley Mortgage Loan Trust 2007-13, Mortgage Pass-Through Certificates, Series 2007-13

Morgan Stanley Mortgage Loan Trust 2007-15AR, Mortgage Pass-Through Certificates, Series 2007-15AR

Thornburg Mortgage Securities Trust 2006-6

Prime Mortgage Trust Series 2004-CL1

Prime Mortgage Trust Series 2004-CL2

First Franklin Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2005-FFH2



2000538996

# ADJUSTABLE RATE NOTE

(6-Month LIBOR Index - Rate Caps)

(Assumable during Life of Loan) (First Business Day of Preceding Month Lookback)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

July 28, 2006  
[Date]

OAKBROOK  
[City]

Illinois  
[State]

1720 N Sedgwick St, Chicago, IL 60614  
[Property Address]

### 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S.\$ 583,100.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is HLB Mortgage

I will make all payments under this Note in the form of cash, check or money order.  
I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

### 2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 8.750 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

### 3. PAYMENTS

#### (A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the first day of each month beginning on September 1, 2006

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on August 1, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at PO Box 660029, Dallas, TX 75266-0029

or at a different place if required by the Note Holder.

#### (B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S.\$ 4,587.25 . This amount may change.

#### (C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

DOC #: 319891

APPL #: 0001383919

MULTISTATE ADJUSTABLE RATE NOTE - 6-Month LIBOR Index (Assumable during Life of Loan) (First Business Day Lookback) - Single Family - Freddie Mac UNIFORM INSTRUMENT

VMP-815N (0404)

UMS1 0404

Form 5520.3/04

VMP Mortgage Solutions (800)321-7291

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Initials: *gy*



#### 4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

##### (A) Change Dates

The interest rate I will pay may change on the first day of August, 2011, and may change on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

##### (B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the six month London Interbank Offered Rate ("LIBOR") which is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market, as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

##### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Five percentage point(s) ( 5.000 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

##### (D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 13.750 % or less than 5.000 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One percentage point(s) ( 1.000 %) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 13.750 %.

##### (E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

##### (F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

#### 5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payment unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

#### 6. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this 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 me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## 7. BORROWER'S FAILURE TO PAY AS REQUIRED

### (A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of Fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

### (B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

### (C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### (D) No Waiver by Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

### (E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

## 8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

## 9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

## 10. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

## 11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, 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 given in accordance with Section 15 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.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Joseph Younes (Seal) \_\_\_\_\_ (Seal)  
 Joseph Younes -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
 -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
 -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
 -Borrower PAY TO THE ORDER OF -Borrower

PAY TO THE ORDER OF

AMERICAN HOME MORTGAGE  
 WITHOUT RECOURSE  
 BY HLB MORTGAGE

ANDREW VALENTINE  
 SVP

WITHOUT RECOURSE  
 BY AMERICAN HOME MORTGAGE

RENEE BURY  
 ASST. SECRETARY

[Sign Original Only]

DOC #: 319894

APPL #: 0001383919

AMP-815N (0404)

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Form 5520 3/04

## ADDENDUM TO NOTE

This addendum is made July 28th, 2006 and is incorporated into and deemed to amend and supplement the Adjustable Rate Note of the same date.

The property covered by this addendum is described in the Security Instrument and located at:

1720 N Sedgwick St Chicago, IL 60614

### AMENDED PROVISIONS

In addition to the provisions and agreements made in the Note, I/we further covenant and agree as follows:

### ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 13.750% or less than 5.000 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than 1.000 percentage point(s) (1.000 %) from the rate of interest I have been paying for the preceding six (6) months. My interest rate will never be greater than 13.750%. My interest rate will never be less than 5.000 %.

### UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. This loan is not assumable. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

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 given in accordance with Section 15 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.

To the extent the provisions of this addendum conflict with the provisions of the Note, Security Instrument or Adjustable Rate Rider, this Addendum shall control.

In Witness Whereof, Trustor has executed this addendum.

Karen A. Shaw  
Witness

July 28, 2006  
Date

Joseph Younes  
Borrower Signature Joseph Younes

1201 LIBOR Addendum to Note

Doc # 944539/ Image: 944539.pzn App# 0001383919

AIM-2010R(MULT) (10/05)



STEWART TITLE OF ILLINOIS  
 2 N. LaSalle Street  
 Suite 825  
 Chicago, IL 60692  
 312-848-4243

Return To:  
 HLB Mortgage  
 520 Broadhollow Road  
 Melville, NY 11747

Prepared By:  
 Rebecca Richardson  
 1245 E. Diehl Road  
 Suite 305  
 Naperville, IL  
 60563



Doc#: 0622826138 Fee: \$74.00  
 Eugene "Gene" Moore FHBP Fee: \$10.00  
 Cook County Recorder of Deeds  
 Date: 08/16/2006 12:26 PM Pg: 1 of 26

(Space Above This Line For Recording Data)

STEWART 472918 MORTGAGE  
 4-13

MIN 100024200013839192

**DEFINITIONS**

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

- (A) "Security Instrument" means this document, which is dated July 28, 2006 together with all Riders to this document.
- (B) "Borrower" is Joseph Younes, Married Man

Borrower is the mortgagor under this Security Instrument.

(C) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the mortgagee under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P. O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

DOC # 323151

APPL # 0001383919

ILLINOIS - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS Form 3014 1/01

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Initials: *JY*

VMP MORTGAGE FORMS - (800) 321-7291



14-33-324-044

*2619*

(D) "Lender" is HLB Mortgage

Lender is a Corporation organized and existing under the laws of State of New York Lender's address is 520 Broadhollow Road, Melville, NY 11747

(E) "Note" means the promissory note signed by Borrower and dated July 28, 2006 The Note states that Borrower owes Lender Five Hundred Eighty Three Thousand One Hundred and No/100 Dollars (U.S. \$583,100.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than August 1, 2036

(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Balloon Rider
- VA Rider
- Condominium Rider
- Planned Unit Development Rider
- Biweekly Payment Rider
- Second Home Rider
- 1-4 Family Rider
- Other(s) [specify]

(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(J) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(L) "Escrow Items" means those items that are described in Section 3.

(M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

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(Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

#### TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) 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 MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, the following described property located in the \_\_\_\_\_ County  
[Type of Recording Jurisdiction] of Cook [Name of Recording Jurisdiction]:

ATTACH LEGAL DESCRIPTION HERETO AND MADE A PART HEREOF

Parcel ID Number: 14-33-324-044-0000  
1720 N Sedgwick St  
Chicago  
("Property Address"):

which currently has the address of  
[Street]  
[City], Illinois 60614 [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 understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

**BORROWER COVENANTS** that Borrower 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. 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.

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

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items

DOC #: 1323153

APPL #: 0801383919

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pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentally, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charges due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of

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Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall 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 an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall 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. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can 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 as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

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, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; 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 can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10

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days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **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, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. 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 the

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excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 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.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

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attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

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.

**10. Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, 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 selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage

Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous 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 Opposing Party (as defined in the next sentence) offers to make an award to 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 Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. 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 Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to 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

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any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer'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 can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. **Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan 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 (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall

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not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**17. Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

**18. Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

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 given in accordance with Section 15 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.

**19. Borrower's Right to Reinstatement After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) 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, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged unless as otherwise provided under Applicable Law. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and 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 Section 18.

**20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might 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 which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a

notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

**21. Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes 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; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. 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 (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) 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, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, 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. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. **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 Section 18 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 Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

23. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. **Waiver of Homestead.** In accordance with Illinois law, the Borrower hereby releases and waives all rights under and by virtue of the Illinois homestead exemption laws.

25. **Placement of Collateral Protection Insurance.** Unless Borrower provides Lender with evidence of the insurance coverage required by Borrower's agreement with Lender, Lender may purchase insurance at Borrower's expense to protect Lender's interests in Borrower's collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by Borrower's and Lender's agreement. If Lender purchases insurance for the collateral, Borrower will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Borrower's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Borrower may be able to obtain on its own.

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

Witnesses:

\_\_\_\_\_  
Joseph Younes (Seal)  
-Borrower

\_\_\_\_\_  
\_\_\_\_\_  
(Seal)  
-Borrower

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(Seal)  
-Borrower

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-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

STATE OF ILLINOIS, <sup>DEPAGE</sup>  
I, *the undersigned*  
do hereby certify that Joseph Sounes

*Cook* County as:  
a Notary Public in and for said county and

personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he/she/they signed and delivered the said instrument as his/hers/their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 28th day of July, 2006

My Commission Expires: *1-1-2010*

*Karen A Shaner*  
Notary Public



# 1-4 FAMILY RIDER (Assignment of Rents)

THIS 1-4 FAMILY RIDER is made this 28th day of July, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to HLB Mortgage

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 1720 N Sedgwick St, Chicago, IL 60614

[Property Address]

**1-4 FAMILY COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT.** In addition to the Property described in the Security Instrument, the following items now or hereafter attached to the Property to the extent they are fixtures are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, paneling and attached floor coverings, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

DOC #: 319831

APPL #: 0001383919

MULTISTATE 1-4 FAMILY RIDER - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Initials:

*gg*

Form 3170 1/01

UMF-57R (0008)

UM31 0008

Page 1 of 4

VMP MORTGAGE FORMS - (800)521-7291



**B. USE OF PROPERTY; COMPLIANCE WITH LAW.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

**C. SUBORDINATE LIENS.** Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

**D. RENT LOSS INSURANCE.** Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Section 5.

**E. "BORROWER'S RIGHT TO REINSTATE" DELETED.** Section 19 is deleted.

**F. BORROWER'S OCCUPANCY.** Unless Lender and Borrower otherwise agree in writing, Section 6 concerning Borrower's occupancy of the Property is deleted.

**G. ASSIGNMENT OF LEASES.** Upon Lender's request after default, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph G, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

**H. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive the Rents until: (i) Lender has given Borrower notice of default pursuant to Section 22 of the Security Instrument, and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of default to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii)

DOC #: 319832

APPL #: 0001383919

57R (0008)

Page 2 of 4

Initials:

*JY*  
Form 3170 1/81

Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Section 9.

Borrower represents and warrants that Borrower has not executed any prior assignment of the Rents and has not performed, and will not perform, any act that would prevent Lender from exercising its rights under this paragraph.

Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after giving notice of default to Borrower. However, Lender, or Lender's agents or a judicially appointed receiver, may do so at any time when a default occurs. Any application of Rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of Rents of the Property shall terminate when all the sums secured by the Security Instrument are paid in full.

**I. CROSS-DEFAULT PROVISION.** Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

DOC #:319833

APPL #:0001363919

 57R (0008)

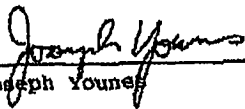
Page 3 of 4

Initials: *JY*

Form 3178 1/01



BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this 1-4 Family Rider.

  
Joseph Younes

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

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(Seal)  
-Borrower

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(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

DOC #: 319834  
2005-SR (0005)

APPL #: 0001383919  
Page 4 of 4

Form 3170 1/01

# ADJUSTABLE RATE RIDER

(6-Month LIBOR Index - Rate Caps)

(Assumable during Life of Loan) (First Business Day of Preceding Month Lookback)

THIS ADJUSTABLE RATE RIDER is made this 28th day of July, 2006 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure the Borrower's Adjustable Rate Note (the "Note") to HLB Mortgage

(the "Lender") of the same date and covering the property described in the Security Instrument and located at:  
1720 N Sedgwick St, Chicago, IL 60614

[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

#### A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 8.750 % The Note provides for changes in the interest rate and the monthly payments, as follows:

#### 4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

##### (A) Change Dates

The interest rate I will pay may change on the first day of August, 2011 and may change on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

DOC #:319901

APPL #:0001383919

MULTISTATE ADJUSTABLE RATE RIDER 6-Month LIBOR Index (Assumable during Life of Loan) (First Business Day Lookback) - Single Family - Freddie Mac UNIFORM INSTRUMENT UMS1 0404

VMP-815R (0404) Form 5120 3/04

Page 1 of 4

Initials: *JH*

VMP Mortgage Solutions

(800)521-7291



**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the six month London Interbank Offered Rate ("LIBOR") which is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market, as published in The Wall Street Journal. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding Five percentage point(s) ( 5.000 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 13.750 % or less than 5.000 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One percentage point(s) ( 1.000 %) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 13.750 %.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

DOC #: 319902

APPL #: 0001383919

UNTD-815R (0404)

Page 2 of 4

Initials: 

Form 5120 3/04

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**  
 Section 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, 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 given in accordance with Section 15 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.

DOC #: 319903

APPL #: 0001383919

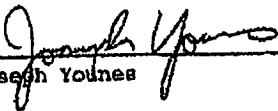
VMP-815R (0404)

Page 3 of 4

Initials: 

Form 5120 3/04

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

  
Joseph Younes (Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

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(Seal)  
-Borrower

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(Seal)  
-Borrower

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(Seal)  
-Borrower

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(Seal)  
-Borrower

DOC #:319904

APPL #:0001383919

VARP-815R (0404)

Page 4 of 4

Form 5120 3/04

## ADDENDUM TO ADJUSTABLE RATE RIDER

This addendum is made July 26th, 2006 and is incorporated into and deemed to amend and supplement the Adjustable Rate Rider of the same date.

The property covered by this addendum is described in the Security Instrument and located at:

1720 N Bedgwick St Chicago, IL 60614

### AMENDED PROVISIONS

In addition to the provisions and agreements made in the Security Instrument, I/we further covenant and agree as follows:

#### ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

##### Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 13.750% or less than 5.000 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than 1.000 percentage point(s) (1.000 %) from the rate of interest I have been paying for the preceding six (6) months. My interest rate will never be greater than 13.750%. My interest rate will never be less than 5.000 %.

#### TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 18 of the Security Instrument is amended to read as follows:

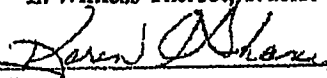
*Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.*

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. This loan is not assumable. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

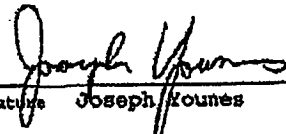
If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails 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.

To the extent the provisions of this addendum conflict with the provisions of the Note, Security Instrument or Adjustable Rate Rider, this Addendum shall control.

In Witness Whereof, Trustor has executed this addendum.

  
\_\_\_\_\_  
Witness

July 28, 2006  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Borrower Signature Joseph Kounes

File Number: TM208396

## LEGAL DESCRIPTION

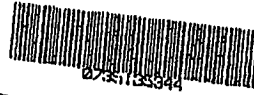
THE EAST 66 FEET OF LOT 8 IN C. J. HULLS SUBDIVISION OF BLOCK 51 IN CANAL TRUSTEE'S  
SUBDIVISION OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL  
MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly known as: 1720 North Sedgwick  
Chicago IL



NAME: YOUNES, JOSEPH  
Loan#: 0290052217-FNF

BOX 178



ASSIGNMENT OF MORTGAGE

Doc#: 0735135344 Fee: \$48.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 12/17/2007 02:52 PM Pg: 1 of 2

For and in consideration of Ten Dollars (\$10.00) and other value received, Mortgage Electronic Registration Systems, Inc., AS NOMINEE FOR HLB MORTGAGE, its successors and/or assigns (hereinafter M.E.R.S., INC.), does hereby assign, transfer, convey without warranties and without recourse; set over and deliver to GMAC MORTGAGE, LLC. (hereinafter called the Assignee), its successors and assigns, on 10/16/07, the following described mortgage:

Date: July 28, 2006 Amount of Debt: \$ 583,100.00  
Mortgagor: JOSEPH YOUNES;  
Mortgagee: M.E.R.S., INC. AS NOMINEE FOR HLB MORTGAGE, its successors and/or assigns

Recorded on August 16, 2006 As Document 0622826138 In the Office of the Recorder/Registrar of COOK County, Illinois, and described as follows:

THE EAST 66 FEET OF LOT 8 IN C.J. HULLS SUBDIVISION OF BLOCK 51 IN CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Real Estate Tax Number 14-33-324-044-0000  
Commonly known as: 1720 NORTH SEDGWICK STREET, CHICAGO, IL 60614

Together with all rights and interest in the same and the premises therein described and the note or obligation thereby secured.

To have and to Hold the same unto the Assignee, its successors and assigns forever.

This assignment is made without recourse and without representation or warranty by Assignor, express or implied.

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS")

By: [Signature]  
Certifying Officer

By: [Signature]  
Certifying Officer

**Margie Kwiatkowski**  
Assistant Secretary

State of Pennsylvania

County of Montgomery County

The Undersigned, a Notary Public in and for above-said County and State, does hereby acknowledge that Jeffrey Stephan and M. Kwiatkowski, Certifying Officers for MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. personally appeared before me this day, and being by me duly sworn, says that s/he, being informed of the contents, voluntarily executed the foregoing and annexed instrument for and on behalf of such entity.

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Nicole Shelton, Notary Public  
Horseshoe Twp., Montgomery County  
My Commission Expires Aug. 11, 2010  
Member, Pennsylvania Association of Notaries

W. Shelton

GM

(Notary Seal)

Notary Public

Prepared by & RETURN TO:

Pierce & Associates, P.C.

1 N. Dearborn

Suite 1300

Chicago, IL 60602

PB# 07-15886

GM

Attention:

Record and Return To:

Pierce and Associates

1 N. Dearborn ST. FI 13

Chicago, IL 60602-4321

PB# 07-15886

Document Prepared By:  
Ron Meharg, 888-362-9638  
1111 Alderman Dr., Suite 350, Alpharetta,  
GA 30005



Doc#: 0834812119 Fee: \$40.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 12/14/2009 01:21 PM Pg: 1 of 3

DOCX  
1111 Alderman Dr., Suite 350  
Alpharetta, GA 30005

SAXCM	000	78549640
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Secondary Ref #: 2000538996  
CRef#: 09/09/2009 - PRef#: A063-POF  
Date: 08/25/2009 - Print Batch ID: 9312  
PIN/Tax ID #: 14-33-324-044-0000  
Property Address:  
720 N SEDGWICK ST  
CHICAGO, IL 60614

*Joseph Goumes*

This Space for Recorder's Use Only



**ASSIGNMENT OF MORTGAGE**

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, GMAC MORTGAGE, LLC, whose address is 1100 Virginia Drive, Ft. Washington, PA 19384 does by these presents hereby grant, bargain, sell, assign, transfer, convey, set over and deliver unto LaSalle Bank National Association, as Trustee for Morgan Stanley Mortgage Loan Trust 2006-16AX, whose address is 4708 Mercantile Drive N Fort Worth, TX 76137, the following described mortgage, securing the payment of a certain promissory note(s) for the sum listed below, together with all rights therein and thereto, all liens created or secured thereby, all obligations therein described, the money due and to become due thereon with interest, and all rights accrued or to accrue under such mortgage.

Original Mortgagor(s): N/A

Original Mortgagee: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC IS A SEPERATE CORPORATION THAT IS ACTING SOLELY AS A NOMINEE FOR HLB MORTGAGE SUCCESSORS AND ASSIGNS

Date of Mortgage: 07/28/2006

Loan Amount: \$583,100.00

Recording Date: 08/18/2006 Book: NA Page: NA Document #: 0622826139

Legal Description: NEED LEGAL

and recorded in the official records of the County of Adams, State of Illinois affecting Real Property and more particularly described on said Mortgage referred to herein.

IN WITNESS WHEREOF, the undersigned has caused these presents to be executed on this date of 11/23/2009.

GMAC MORTGAGE, LLC

Jeffrey Stephan  
Limited Signing Officer

John Kerr, Limited Signing Officer

MMS

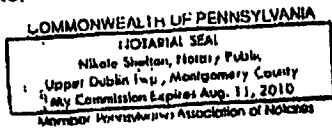
Record and Return To:  
Pierce and Associates  
1 N. Dearborn ST. Fl 13  
Chicago, IL 60602-4321  
PB# 0715886

State of ~~TX~~ PA  
County of ~~Tarrant~~ Montgomery

On this date of 11/26/2009, before me, the undersigned authority, a Notary Public duly commissioned, qualified and acting within and for the aforementioned State and County, personally appeared the within named Jeffrey Stephen and John [unclear], known to me (or identified to me on the basis of satisfactory evidence) that they are the L.S.O and L.S.D. respectively of GMAC MORTGAGE, LLC, and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and in behalf of said corporation and that said corporation executed the same, and further stated and acknowledged that they had so signed, executed and delivered said instrument for the consideration, uses and purposes therein mentioned and set forth.

Witness my hand and official seal on the date hereinabove set forth.

Nicole Shellen November 26, 2009  
Notary Public:



MMS

EXHIBIT "A": LEGAL DESCRIPTION

THE EAST 66 FEET OF LOT 8 IN C.J. HULLS SUBDIVISION OF BLOCK  
51 IN CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 40  
NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN  
COOK COUNTY, ILLINOIS.

TAX NO. 14-33-324-044-0000

Commonly known as:

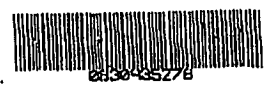
1720 NORTH SEDGWICK STREET  
CHICAGO, IL 60614

PIERCE ASSOCIATES  
Attorneys for Plaintiff  
Thirteenth Floor  
1 North Dearborn  
Chicago, Illinois 60602  
PA0715886

129

INU 290052217

Report and Return To:  
Pierce and Associates  
1 N. Dearborn St., Fl. 13  
Chicago, IL 60602-4321  
PB# 0715886



Doc#: 0830935278 Fee: \$40.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 11/04/2008 03:15 PM Pg: 1 of 3

MRF

2000538996

### AFFIDAVIT OF LOST ASSIGNMENT

The undersigned CRYSTAL MOORE, being duly sworn deposes and states as follows:

1. That (s)he is a ASST. VICE PRESIDENT of SAXON MORTGAGE SERVICES, INC. having its principal place of business at \_\_\_\_\_, an officer duly authorized to make this affidavit.
2. That (s)he has personal knowledge of the facts set forth in this Affidavit.
3. That SAXON MORTGAGE SERVICES, INC.  
("Current Mortgagee") is the owner and holder of a certain mortgage dated 07/28/2006 made by JOSEPH YOUNES as mortgagors to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("Original Mortgagee") as mortgagee, which mortgage was recorded in the office of the Register or Recorder/Clerk of COOK County, on in Book/real page or Doc# 062282679 on 8/16/2006  
That Current Mortgagee owns and holds said mortgage as a result of sale and assignment thereof to SAXON MORTGAGE SERVICES, INC..  
The mortgage premise are known as  
1720 N SEDGWICK ST CHICAGO, IL 60614-0000  
14-33-324-044-0000  
THE EAST 66 FEET OF LOT 8 IN C.J. HULLS SUBDIVISION OF BLOCK 51 IN CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.
4. That neither a recorded nor an unrecorded instrument of an assignment to SAXON MORTGAGE SERVICES, INC. could be obtained from the files and records of SAXON MORTGAGE SERVICES, INC.

14MS

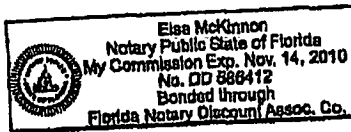
5. That the Affiant has concluded that the Assignment was lost, misplaced or destroyed before the same could be placed of record.
6. That SAXON MORTGAGE SERVICES, INC. is unable to obtain an instrument confirming the sale and assignment of the Current Mortgage to SAXON MORTGAGE SERVICES, INC..
7. That SAXON MORTGAGE SERVICES, INC. duly and properly acquired the Mortgage, and has thereafter serviced the same and has in its possession the secured mortgage loan documentation pertaining to said Mortgage.
8. That SAXON MORTGAGE SERVICES, INC. is the owner of the Mortgage and the note secured thereby, and has not further assigned or transferred said note and Mortgage to any other party.
9. That this affidavit is made to induce the Register/Recorder of said county to accept for recording this instrument, executed and acknowledged by SAXON MORTGAGE SERVICES, INC., in place of said lost, misplaced or destroyed assignment.
10. SAXON MORTGAGE SERVICES, INC. agrees to indemnify and hold harmless the Recorder, Registrar or Clerk of said County from and against any cost or claims which may arise by reason of the acceptance and recording of this affidavit.

dated: 10/23/2008  
 SAXON MORTGAGE SERVICES, INC.

By: \_\_\_\_\_  
 CRYSTAL MOORE  
 ASST. VICE PRESIDENT

STATE OF FLORIDA COUNTY OF Pinellas  
 On 10/23/2008 before me, ELSA MCKINNON, Notary Public, personally appeared CRYSTAL MOORE personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or entity upon behalf of which the person acted, executed the same. WITNESS MY hand and official seal.

\_\_\_\_\_  
 ELSA MCKINNON  
 Notary Public/Commission expires 11/14/2010  
 Prepared by  
 Jessica Fretwell/NTC, 2100 Alt. 19 North, Palm Harbor, FL 34683 (800)346-9152



form5/laa1\_smsmd

MMS

EXHIBIT "A": LEGAL DESCRIPTION

THE EAST 66 FEET OF LOT 8 IN C.J. HULLS SUBDIVISION OF BLOCK  
51 IN CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 40  
NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN  
COOK COUNTY, ILLINOIS.

TAX NO. 14-33-324-044-0000

Commonly known as:

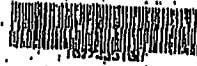
1720 NORTH SEDGWICK STREET  
CHICAGO, IL 60614

PIERCE ASSOCIATES  
Attorneys for Plaintiff  
Thirteenth Floor  
1 North Dearborn  
Chicago, Illinois 60602  
PA0715886



MSM 2006-16HX  
1383919  
ACNL

NAME: YOUNES, JOSEPH  
Icon: 0290052217-FNF



Doc#: 1027236106 Fee: \$30.00  
Engine: Gen\* Macro: LHP Fee: \$10.00  
Doc County: Hamilton of Heads  
Date: 08/16/2006 03:55 PM Pgs: 1 of 2

**ASSIGNMENT OF MORTGAGE**

For and in consideration of Ten Dollars (\$10.00) and other value received, Mortgage Electronic Registration Systems, Inc., AS NOMINEE FOR HLB MORTGAGE, its successors and/or assigns (hereinafter M.E.R.S., INC.), does hereby assign, transfer, convey without warranties and without recourse, set over and deliver to GMAC MORTGAGE, LLC. (hereinafter called the Assignee), its successors and assigns, on 10/16/07, the following described mortgage:

Date: July 28, 2006 Amount of Debt: \$ 503,100.00  
Mortgagor: JOSEPH YOUNES  
Mortgagee: M.E.R.S., INC. AS NOMINEE FOR HLB MORTGAGE, ITS SUCCESSORS AND/OR ASSIGNS  
Recorded on AUGUST 16, 2006 As Document 0622826138 in the Office of the Recorder/Registrar of COOK County, Illinois, and described as follows:

THE EAST 66 FEET OF LOT B IN C.J. HULLS SUBDIVISION OF BLOCK 53 IN CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Real Estate Tax Number 14-33-324-044-0000  
Commonly known as: 1720 NORTH SEDGWICK STREET, CHICAGO, IL 60614

Together with all rights and interest in the same and the premises therein described and the note or obligation thereby secured.

To have and to hold the same unto the Assignee, its successors and assigns forever.

This assignment is made without recourse and without representation or warranty by Assignor, express or implied.

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS")

By: [Signature]  
Certifying Officer for MERS  
By: [Signature]  
Certifying Officer.

Kristine Wilson  
Vice President

State of Pennsylvania  
County of Montgomery

The undersigned, a Notary Public in and for above-said County, and I do hereby acknowledge that Nicole Shetter and Kristine Wilson, Certifying Officers for MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. personally appeared before me this day, and being by me duly sworn, says that she, being informed of the contents, voluntarily executed the foregoing and annexed Assignment for and on behalf of such entity.

Notary Seal:  
Nicole Shetter, Notary Public  
Upper Merion Twp., Montgomery County  
My Commission Expires Aug. 11, 2014  
Member, Pennsylvania Association of Notaries

(ASN1)  
ASSIGNMENT  
"OX" IN FILE  
PLEASE STAPLE  
W/ THIS ONE  
THANKS

# EXHIBIT 3



Ocwen Loan Servicing, LLC  
 1661 Worthington Road, Suite 100  
 West Palm Beach, FL 33409

[WWW.OCWEN.COM](http://WWW.OCWEN.COM)

08/22/12

**PAYOFF QUOTE**

Joon Park

Email Address: [jpark@morrislaing.com](mailto:jpark@morrislaing.com)

Loan Number: 7110554842  
 Customer Name(s): Joseph Younes  
 Property Address: 1720 N Sedgwick St, Chicago, IL 60614

As requested, the following is a breakdown of the payoff funds due on or before 08/23/12. Property taxes or insurance payments that come due may still be paid after this quote is issued.

Description	Amount Due
Principal	579,991.10
Interest	244,604.18
Escrow Advance	49,907.08
Property Valuation Expense	110.00
Projected Property Valuations Exp	110.00
Satisfaction Cost	62.00
BPO	100.00
Court	478.00
Fee/Recording	1,600.00
Loan Assignment	118.00
Property Inspection	266.00
Transfer Fee Balance	2,571.25
Foreclosure Fee	300.00
Late Charges	11,657.02
<b>Total Amount Due</b>	<b>\$891,874.63</b>

Next Due Date	06/01/07
Quoted Date	08/22/12
Payoff Quote Expiration Date	08/23/12
Grace Period End Date	08/17/12
Original Principal Balance	\$583,100.00

*This communication is from a debt collector attempting to collect a debt; any information obtained will be used for that purpose. However, if the debt is in active bankruptcy or has been discharged through bankruptcy, this communication is not intended as and does not constitute an attempt to collect a debt.*

NMLS # 1852

EXHIBIT 4



OCWEN Loan Servicing, LLC  
1661 Worthington Road, Suite 100  
West Palm Beach, FL 33409

WWW.OCWEN.COM

Given below is a breakdown of the interest that is shown above in the amount of \$244,604.18 due on or before 08/23/2012. Please note that interest is generally charged in arrears. On a normal amortizing loan, the current month's payment will include the interest charges for the previous month. The unpaid principal balance is not the payoff amount.

From	To	Interest Amount	Interest Rate	Principal Bal.	Daily Per Diem	# Days
05/01/07	05/31/07	4,229.10	8.75	579,991.10	140.97005900	30
06/01/07	06/30/07	4,226.49	8.75	579,632.95	140.88300900	30
07/01/07	07/31/07	4,223.86	8.75	579,272.19	140.79532400	30
08/01/07	08/31/07	4,221.21	8.75	578,908.80	140.70700000	30
09/01/07	09/30/07	4,218.54	8.75	578,542.76	140.61803200	30
10/01/07	10/31/07	4,215.85	8.75	578,174.05	140.52841500	30
11/01/07	11/30/07	4,213.14	8.75	577,802.65	140.43814400	30
12/01/07	12/31/07	4,210.42	8.75	577,428.54	140.34721500	30
01/01/08	01/31/08	4,207.67	8.75	577,051.71	140.25562400	30
02/01/08	02/29/08	4,204.90	8.75	576,672.13	140.16336500	30
03/01/08	03/31/08	4,202.11	8.75	576,289.78	140.07043300	30
04/01/08	04/30/08	4,199.30	8.75	575,904.64	139.97682200	30
05/01/08	05/31/08	4,196.48	8.75	575,516.69	139.88252900	30
06/01/08	06/30/08	4,193.63	8.75	575,125.92	139.78755000	30
07/01/08	07/31/08	4,190.76	8.75	574,732.30	139.69187800	30
08/01/08	08/31/08	4,187.87	8.75	574,335.81	139.59550900	30
09/01/08	09/30/08	4,184.95	8.75	573,936.43	139.49843800	30
10/01/08	10/31/08	4,182.02	8.75	573,534.13	139.40065700	30
11/01/08	11/30/08	4,179.06	8.75	573,128.90	139.30216300	30
12/01/08	12/31/08	4,176.09	8.75	572,720.71	139.20295000	30
01/01/09	01/31/09	4,173.09	8.75	572,309.55	139.10301600	30
02/01/09	02/28/09	4,170.07	8.75	571,895.39	139.00235200	30
03/01/09	03/31/09	4,167.03	8.75	571,478.21	138.90095400	30
04/01/09	04/30/09	4,163.96	8.75	571,057.99	138.79881700	30
05/01/09	05/31/09	4,160.88	8.75	570,634.70	138.69593400	30
06/01/09	06/30/09	4,157.77	8.75	570,208.33	138.59230200	30
07/01/09	07/31/09	4,154.64	8.75	569,778.85	138.48791500	30
08/01/09	08/31/09	4,151.48	8.75	569,346.24	138.38276700	30
09/01/09	09/30/09	4,148.31	8.75	568,910.47	138.27685000	30
10/01/09	10/31/09	4,145.10	8.75	568,471.53	138.17016400	30
11/01/09	11/30/09	4,141.88	8.75	568,029.38	138.06269700	30
12/01/09	12/31/09	4,138.63	8.75	567,584.01	137.95444700	30
01/01/10	01/31/10	4,135.36	8.75	567,135.39	137.84540700	30
02/01/10	02/28/10	4,132.07	8.75	566,683.50	137.73557300	30
03/01/10	03/31/10	4,128.75	8.75	566,228.32	137.62493900	30
04/01/10	04/30/10	4,125.40	8.75	565,769.82	137.51349800	30
05/01/10	05/31/10	4,122.04	8.75	565,307.97	137.40124300	30
06/01/10	06/30/10	4,118.65	8.75	564,842.76	137.28817100	30
07/01/10	07/31/10	4,115.23	8.75	564,374.16	137.17427500	30
08/01/10	08/31/10	4,111.79	8.75	563,902.14	137.05954800	30
09/01/10	09/30/10	4,108.32	8.75	563,426.68	136.94398500	30
10/01/10	10/31/10	4,104.83	8.75	562,947.75	136.82757800	30
11/01/10	11/30/10	4,101.31	8.75	562,465.33	136.71032300	30
12/01/10	12/31/10	4,097.77	8.75	561,979.39	136.59221300	30
01/01/11	01/31/11	4,094.20	8.75	561,489.91	136.47324200	30

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NMLS # 1852



Ocwen Loan Servicing, LLC  
1661 Worthington Road, Suite 100  
West Palm Beach, FL 33409

[WWW.OCWEN.COM](http://WWW.OCWEN.COM)

From	To	Interest Amount	Interest Rate	Principal Bal.	Daily Per Diem	# Days
02/01/11	02/28/11	4,090.60	8.75	560,996.86	136.35340300	30
03/01/11	03/31/11	4,086.98	8.75	560,500.21	136.23269000	30
04/01/11	04/30/11	4,083.33	8.75	559,999.94	136.11109700	30
05/01/11	05/31/11	4,079.66	8.75	559,496.02	135.98861600	30
06/01/11	06/30/11	4,075.96	8.75	558,988.43	135.86524300	30
07/01/11	07/31/11	4,072.23	8.75	558,477.14	135.74097200	30
08/01/11	08/31/11	2,499.21	5.38	557,962.12	83.30684400	30
09/01/11	09/30/11	2,495.24	5.38	557,076.48	83.17461300	30
10/01/11	10/31/11	2,491.25	5.38	556,186.87	83.04179000	30
11/01/11	11/30/11	2,487.25	5.38	555,293.27	82.90837000	30
12/01/11	12/31/11	2,483.23	5.38	554,395.67	82.77435400	30
01/01/12	01/31/12	2,479.19	5.38	553,494.05	82.63973700	30
02/01/12	02/29/12	2,647.82	5.75	552,588.39	88.26064600	30
03/01/12	03/31/12	2,643.70	5.75	551,727.90	88.12320600	30
04/01/12	04/30/12	2,639.55	5.75	550,863.29	87.98510900	30
05/01/12	05/31/12	2,635.39	5.75	549,994.53	87.84634900	30
06/01/12	06/30/12	2,631.21	5.75	549,121.61	87.70692400	30
07/01/12	07/31/12	2,627.00	5.75	548,244.51	87.56683100	30
08/01/12	08/22/12	1,923.37	5.75	547,363.20	87.42606700	22

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NMLS # 1852



Ocwen Loan Servicing, LLC  
 1661 Worthington Road, Suite 100  
 West Palm Beach, FL 33409

[WWW.OCWEN.COM](http://WWW.OCWEN.COM)

1. All payoff funds must be sent via certified funds such as: Wire Transfer, Cashier's Check, Certified Bank Check, Title Company Check or Attorney's Escrow Check. Items which are not certified will be returned and the payoff will not be processed.
2. Wire transfer is the preferred method of payment since it is faster, more convenient, and safer for our customers than other options. This method may mean less days of per diem interest that you have to pay on the loan being paid off, so it may end up being cheaper for you as well. To make a wire transfer, all you need to do is visit your bank and ask how to perform this simple transaction. Most banks also provide this information on their internet website. Please include borrower last name, property address, and loan number on all remittances. All of the information you need to send a wire transfer to Ocwen is listed below:

Make Payment To:	Ocwen Loan Servicing, LLC in Trust for Various Investors and Mortgagors
Ocwen's Account Number:	4124823352
ABA Routing Number:	121000248
Ocwen's Bank Address:	Wells Fargo Bank, NA San Francisco, California
Your Ocwen Loan Number:	Ocwen Loan # 7110554842

3. If you cannot send a wire transfer, please send the check by Overnight Courier to the following address (include all of the next line); Ocwen Loan Servicing, LLC; Attention: Cashiering/HRC Payoff Dept; 1661 Worthington Rd; Suite 100; West Palm Beach, FL 33409; Reference: Ocwen Loan # 7110554842. Please see section 1 above for accepted check types. Always include your Ocwen loan number with your remittance.
4. We reserve the right to correct any portion of this statement at any time. All balances are subject to change as a result of any transactions, which occur prior to the application of payoff funds. Accordingly, if Ocwen has received payment on this account within the prior thirty (30) days and applied those funds to the account for the issuance of this payoff quote and if for any reason those funds are reversed, including, but not limited to insufficient funds or a stop payment being placed on a check, this payoff quote is deemed invalid and a new payoff quote must be obtained from Ocwen to reflect the correct amount due and owing. Subsequent quotes will reflect the full amount due.
5. Upon receipt of payoff funds, Ocwen will verify all amounts due and contact the issuer of the funds in the event of any discrepancies. In the event that the payoff funds received are less than the total amount necessary to satisfy the loan, Ocwen will return the funds and continue to accrue interest on the loan.
6. Issuance of this statement does not suspend the contractual requirement to make loan payments when due. If payoff funds are received after the expiration of the grace period, if such a period is applicable to this loan, a late charge will be due. Payment of all late charges will be required to be paid prior to the application of any payoff funds and satisfaction of the Mortgage/Deed of Trust.
7. Issuing this payoff statement will not stop future escrow disbursements. Property taxes or insurance may be paid after this quote is issued. If such disbursements create escrow advances and change the amount due to satisfy the loan, they must be paid prior to the application of any payoff funds and satisfaction of the Mortgage/Deed of Trust.
8. If the account is past due, collection expenses and legal fees may be accruing. If this is an adjustable rate Note, the per diem may change prior to payoff.
9. Upon receipt of the entire payoff amount, Ocwen will execute a release and discharge of the Deed of Trust/Mortgage and, if necessary, will file a withdrawal in connection with any legal action if it has been taken to collect this obligation.
10. Ocwen undertakes no obligation to investigate the circumstances surrounding the payoff of an account. As such, it is the customer's responsibility to notify Ocwen if the terms of the Note of Deed of Trust/Mortgage allow for waiver of the prepayment penalty in their circumstances and provide the requisite documentation to demonstrate waiver of a prepayment penalty in accordance with the terms of the Note or Deed of Trust/Mortgage. Such documentation must be provided to the Payoff Department at the address above within sixty (60) days following the date that the payoff was made.
11. If you have questions regarding this payoff quote, please contact our Home Retention Department at (800) 746-2936 or by fax at (407) 737-5693.

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NMLS # 1852



Ocwen Loan Servicing, LLC  
1661 Worthington Road, Suite 100  
West Palm Beach, FL 33409

WWW.OCWEN.COM

12. If after speaking with your Home Retention Consultant, you still have questions or concerns, please feel free to contact the Ocwen consumer advocate at the address above, by email at [Ombudsman@ocwen.com](mailto:Ombudsman@ocwen.com) or by phone at (800) 390-4656.
13. Please visit Ocwen's website at [www.ocwen.com](http://www.ocwen.com) to verify the social security number on file for the purposes of year-end tax reporting.

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*This communication is from a debt collector attempting to collect a debt; any information obtained will be used for that purpose. However, if the debt is in active bankruptcy or has been discharged through bankruptcy, this communication is not intended as and does not constitute an attempt to collect a debt.*

NMLS # 1852



Detail Transaction History

LOAN#: 7110554842 INVESTOR#: 3795 POOL#: 1 NEXT DUE DT: 06/01/2007 INTEREST RATE: 8.75000 PRIN BAL: 579,991.10  
 BORR1: Joseph Younes MAIL: 357 Soaallic AFTER TRANS. BALANCES- ESCROW INTEREST APPLIED  
 FROM: 1720 N Scdwick St CHICAGO IL 60614 PALATINE IL 60074 REVERSED PRINCIPAL ESCROW SUSPENSE OTHER  
 579,991.10 49,807.08

REFDATE	TRANSACTION	TIME	RV TRN DESCRIPTION	WMT DTE/REF	REVERSED	AFTER TRANS. PRINCIPAL	BALANCES- ESCROW	TOTAL AMOUNT	PRINCIPAL	INTEREST	APPLIED ESCROW	SUSPENSE	OTHER
02/21/2012		23:59:01	MLD Loan Disbursement	MLD Loan 5		579,991.10	.00	585,124.35	579,991.10	.00	.00	0.00	5,133.25
02/21/2012		23:59:04	ESA Escrow Balance Adjus	MLD Loan 5		579,991.10	47,796.53	47,796.53	.00	.00	47,796.53	0.00	0.00
07/21/2012		12:53:33	ETD Fac Escrow Disburse	MLD Loan 5		579,991.10	49,802.08	2,105.55	.00	.00	2,105.55	0.00	0.00
08/15/2012		18:28:05	ESA Escrow Balance Adjus	MLD Loan 5		579,991.10	49,807.08	5.00	.00	.00	5.00	0.00	0.00

This Instrument Prepared By: HLB Mortgage, address: 520 BROADHOLLOW ROAD, MELVILLE, NEW YORK 11747, TEL. NO: (516) 949- 3900.


ACKNOWLEDGMENT

State Of New York

County of Suffolk

On the 1st day of August in the year 2006, before me, undersigned, a notary public in and for the state, personally appeared ANDREW VALENTINE, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed in the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

Section 33  
Block 51  
Lot 8  
APN# 14-33-324-044-0000  
County Cook

  
JEAN N. LOMBOS  
Notary Public, State of New York  
No. 0100818075  
Qualified in Suffolk County  
Commission Expires November 22, 2009.

ASSIGNMENT OF MORTGAGE WITHOUT COVENANTS OMD, OR CONP.  
CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT. THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY

KNOW THAT

American Home Mortgage  
538 Broadhollow Rd  
Melville, NY 11747

assignor,

in consideration of TEN dollars,

paid by

assignee,

hereby assigns unto the assignee,  
Mortgage dated July 28, 2006

made by Joseph Younes

to American Home Mortgage

in the principal sum of \$583,100.00 intended to be recorded nearly simultaneously herewith  
in the Office of the County Clerk of the County of Cook, covering premises  
commonly known as 1720 N Sedgwick St, Chicago, IL 60614  
, which premises are more particularly described in the aforesaid  
mortgage being assigned herewith.

**THIS ASSIGNMENT IS NOT SUBJECT TO THE REQUIREMENTS OF SECTION 275 OF THE  
REAL PROPERTY LAW BECAUSE IT IS AN ASSIGNMENT IN THE SECONDARY  
MORTGAGE MARKET.**

Together with the bond or note or obligation described in said mortgage, and the monies due and to  
grow due thereon with the interest; TO HAVE AND TO HOLD the same unto the assignee and to  
the successors, legal representatives and assigns of the assignee forever.

The word "assignor" or "assignee" shall be construed as if it read "assignors" or "assignees"  
whenever the sense of this instrument so requires.

IN WITNESS WHEREOF, the assignor has duly executed this assignment the 1st day of August 2006

BY: AMERICAN HOME MORTGAGE



RENEE GURY  
ASST. SECRETARY

STATE OF  
COUNTY OF

On the \_\_\_\_\_ of \_\_\_\_\_, before me  
personally came \_\_\_\_\_, to me known to be  
the individual(s) described in and who executed the foregoing  
instrument, and acknowledged that \_\_\_\_\_ executed the  
same.

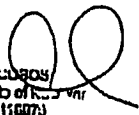
Notary Public

STATE OF New York  
COUNTY OF Suffolk

On this 1st day of August 2006, before me  
personally came \_\_\_\_\_, to me known,  
who, being duly sworn, depose and say that (s)he conducts  
business at 538 Broadhollow Rd  
Malville NY 11747

that (s)he is the Asst. Secretary of American Home Mortgage  
the corporation described in and which executed the foregoing  
instrument; that (s)he knows the seal of said corporation; that  
the seal affixed to said instrument is such corporate seal; that it  
was so affixed by order of the board of directors of said  
corporation, and that (s)he signed his/her name thereto by like  
order.

Notary Public

  
CESAR R. LUGO  
Notary Public, State of New York  
(No. 010001607)  
Qualified in Suffolk County  
Commission Expires November 17, 2008

Section: 33  
Block: 51  
Lot: 8  
County: Cook

**Assignment of Mortgage  
WITH COVENANT**

**American Home Mortgage  
ABM Mortgage**

**TO**

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION  
MORTGAGE FORECLOSURE / MECHANICS LIEN SECTION**

U. S. BANK., N.A., etc.,	)
	)
Plaintiff,	)
	)
v.	) No. 07 CH 29738
	)
JOSEPH YOUNES, RICHARD DANIGGELIS,	) 1720 North Sedgwick
<i>et al.</i> ,	) Chicago, IL 60614
	)
Defendants.	)

**MEMORANDUM OPINION AND ORDER**

This five-year old case comes before the court on a motion to extend the discovery deadlines. To understand why the court denies that motion, a discussion of the background of the case is in order.

This is hardly a typical mortgage foreclosure case. According to the record as it stands, Richard Daniggelis has lived at the property for over 50 years. He claims that he was tricked into signing a deed to his property by Joseph Younes and others. These individuals then mortgaged the property on their own, and that mortgage has since gone delinquent. In short, the case presents a standard mortgage rescue fraud scenario. *See, e.g., LaSalle Bank v. Ferone*, 384 Ill. App. 3d 239, 246 (2d Dist. 2008); *Wilbourn v. Advantage Fin. Partners, LLC*, No. 09-CV-2068, 2010 U.S. Dist. LEXIS 26898 (N.D. Ill. March 22, 2010). Daniggelis's strained and problematic relationship with his previous attorneys, and his assiduous search for *pro bono* counsel on this challenging case, resulted in many delays. In light of the extraordinary facts of the case, the court granted far more leniency than usual toward Daniggelis. However, his current attorney has now been of record for well over a year.

For Daniggelis to win this case, he will have to successfully use unusual equitable remedies and overcome significant burdens to unravel the underlying mortgage and restoring himself to the chain of title. Rather than concentrating his efforts on that goal, Daniggelis's current attorney has embarked on a quest to invalidate the underlying foreclosure lawsuit (which, we must remember, involves a mortgage Daniggelis did not even sign) on the basis that the plaintiff does not have standing to prosecute on the subject mortgage and note. To this end, he requests even more time to depose persons scattered across the country who may have been involved with the transfer process, some of whom apparently no longer work for the relevant employer. He also claims that the plaintiff did not respond to certain discovery requests. The plaintiff vigorously denies that it has failed to produce anything that the defendant requested.

Mortgage loans are frequently bought and sold, and securitization of these loans means

that foreclosure cases are often brought by trustees or servicers acting on behalf of the owners of the securitized loans. Illinois law does not prohibit this practice. In fact, it provides an easy route for anyone holding a relationship with a subject mortgage and note to prosecute a foreclosure lawsuit. In Illinois, a foreclosure lawsuit may be brought by the holder or owner of the note *or* mortgage; someone possessing the rights of a note holder or owner; a servicer acting on behalf of any of those entities; or any entity claiming “through a mortgage as a successor”, among many others. 735 ILCS 5/15-1208. A loan servicer has standing to bring a foreclosure case in its own name. *CWCapital Asset Mgmt., LLC v. Chi. Props., LLC*, 610 F. 3d 497, 500-02 (7th Cir. 2010). Mortgage Electronic Registration Systems, known as “MERS”, is a ubiquitous – but controversial – nominee mortgagee in standard American mortgages. MERS has the right to sue in Illinois to foreclose one of its mortgages even though it is acting only on behalf of a lender which is itself a holder or owner of the note or mortgage. *Mortgage Elec. Registration Sys. v. Barnes*, 406 Ill. App. 3d 1, 6 (1st Dist. 2010).

Under section 3-301 of the Uniform Commercial Code (UCC), a person is entitled to enforce a note if he is: (1) the holder of the note; (2) a “nonholder in possession of the [note] who has the rights of a holder”; or (3) the person who held the note before it was lost, stolen, or destroyed. 810 ILCS 5/3-301; *see* Permanent Editorial Board for the Uniform Commercial Code, *Application of the Uniform Commercial Code to Selected Issues Relating to Mortgage Notes 5-7* (Nov. 14, 2011). The listing of the second group of authorized persons makes it clear that there are other individuals besides the holder of the note who, nonetheless, may have the rights of the holder such that they can enforce the note.

Defendants unable to extract themselves from a clear default and inevitable foreclosure have tried to take advantage of the frequent transfer of mortgage loans by raising issues regarding the plaintiff’s standing. However, virtually all of these motions focus only on the ownership of the note as demonstrated by the written transfer documents and, as here, completely neglect to address the key issue of whether or not the plaintiff might be acting on behalf of someone else. The plaintiff’s response to the motion to extend discovery asserts that it has possession of the original note, and that counsel for the defendant has had an opportunity to review it. This possession alone makes any allegations regarding “forgery” *in the assignment process* moot. The defendant’s reply on the pending motion does not deny the assertion regarding the possession of the original note, and no other party has come forth in the five years this case has pended to claim that it has the truly original note, that the one possessed by plaintiff’s counsel is fake, or that the original note was stolen.

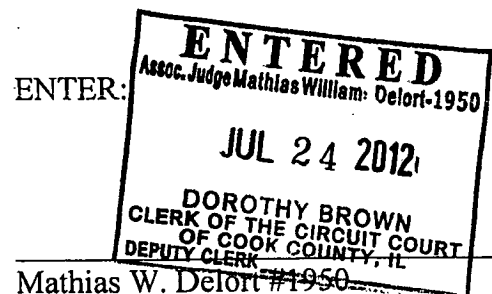
As explained by decades of case law interpreting the Uniform Commercial Code (UCC), and as further explained by the Permanent Editorial Board on the UCC’s recent examination of transfer of mortgage and loan documents, this possession fairly well shuts the door on challenges to the plaintiff’s standing to bring this lawsuit. Despite the ubiquity of similar mortgages across the country, courts have been loathe to simply hand out free homes to borrowers on hypertechical bases such as those claimed here. In particular, the appellate court recently halted attempts to challenge standing based on the alleged failure of the note or mortgage to be

transferred in punctilious compliance with the terms of encyclopedia-sized pooling and servicing agreements (PSAs), finding that because borrowers were not parties to the PSAs, they had no standing to complain about them. *Bank of America v. Bassman*, 2012 IL App (2d) 110729. As Danigellis did not even sign the underlying mortgage, his interest in challenging the transfer process is even more attenuated than that of the *Bassman* defendant.

In short, Danigellis's remaining discovery appears to be entirely directed at a defense which not only lacks support in the applicable statutes, but also in case law. If the defense "had legs", so to speak, millions of American mortgages would already have been judicially invalidated, and the courts of review would have certainly given a more favorable signal regarding the defense than they have so far. The court understands that it suggested that the parties put discovery on the back burner while the case went to mediation. However, this case must come to an end at some point, and the court believes that the discovery schedule provided ample time for the parties to develop their cases and obtain relevant evidence.

Therefore, the court hereby ORDERS:

1. The motion to extend discovery is denied;
2. Any dispositive motion shall be filed by August 10, 2012;
3. Counsel for U. S. Bank shall immediately transmit a copy of this order to any party not shown on the service list below; and
4. The case is set for case management for August 15, 2012 at 3:00 p.m. in Room 2804, at which time the court expects to set briefing schedules on the dispositive motions; and
5. Counsel for U. S. Bank shall prepare a list of any outstanding motions and submit it to the court by August 9, 2012.



Mathias W. Delort #1950

Associate Judge

July 24, 2012

The court sent copies of this order by U.S. mail on the above date to:

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DOROTHY B. BROWN  
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