

MORTGAGE



After Recording Mail To:

Noble & Welker
4880 Euclid Avenue
Palatine, IL 60067

COOK COUNTY CLERK
ROBERT J. BROWN
ROBERT J. BROWN
ROBERT J. BROWN



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THIS MORTGAGE ("Security Instrument") is given on December 5, 2002. The Mortgagors are **Richard T. Olsen, not married, and Ruth Ericson, not married**, ("Borrower's") of 1145 Deverell Court, Palatine, Illinois, 60067. This Security Instrument is given to **TERRY N. BROWN, d/b/a/ TNB FINANCIAL**, whose address is 1410 N. Meacham, Schaumburg, IL 60073 ("Lender"). Borrower's owe Lender the principal sum of One Hundred Seventy Thousand No/100th Dollars (U.S. \$170,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on December 5, 2022. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower's do hereby mortgage grant and convey to Lender the following described property located in Lake, County, Illinois:

Lot 8 in Maverick 7 Resubdivision of Lots 2 and 3 in Block 27 in A. T. McIntosh and Co.'s Palatine Estates Unit No. 3, a Subdivision of part of Sections 26 and 27, Township 42 North, Range 10, East of the Third Principal Meridian, in Cook County, Illinois, excepting that portion lying within Euclid Avenue per Document No. 74176826 recorded November 26, 1974, in Cook County, Illinois.

P.I.N. 02-27-204-001

which has the address of: 1145 Deverell Court, Palatine, Illinois, 60067.

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property".

BORROWER'S COVENANT that Borrower's are lawfully seized of the estate hereby conveyed and have the right to mortgage, grant and convey the property and that the Property is unencumbered, except for a first mortgage and encumbrances of record. Borrower's warrant and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

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

2. Funds for Taxes and Insurance. Subject to applicable law Lender may at any time require Borrower's to pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items. The Lender shall not be required to pay borrower any interest on said Funds.

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

4. Charges; Liens. Borrower's shall pay all taxes, assessments, charges, finds and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower's shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower's shall pay them on time directly to the person owed payment. Borrower's shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower's make these payments directly, Borrower's shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower's make these payments directly, Borrower's shall promptly furnish to Lender receipts evidencing the payments.

Borrower's shall promptly discharge any lien which has priority over this Security Instrument unless Borrower's: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower's a notice identifying the lien. Borrower's shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard Insurance. Borrower's shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance.

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This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower's subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower's shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower's shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower's.

Unless Lender and Borrower's otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower's. If Borrower's abandon the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

6. Preservation and Maintenance of Property; Leaseholds. Borrower's shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower's shall comply with the provisions of the lease, and if Borrower's acquire fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower's fail to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower's secured by this Security Instrument. Unless Borrower's and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower's requesting payment.


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

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower's. In the event of a partial taking of the Property, unless Borrower's and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrowers.

10. **Borrower's Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower's shall not operate to release the liability of the original Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower's, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower's who co-sign this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrowers may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. **Notices.** Any notice to Borrower's provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower's designate by notice to Lender. Any notice to Lender shall be given to first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower's.

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Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower's or Lender when given as provided in this paragraph.

13. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

14. Transfer of the Property or a Beneficial Interest in Borrower's. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower's is sold or transferred and Borrower's are not natural persons) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower's notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrowers must pay all sums secured by this Security Instrument. If Borrower's fail 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's.

15. Acceleration; Remedies. Lender shall give notice to Borrower's prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 14 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's, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower's of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower's to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

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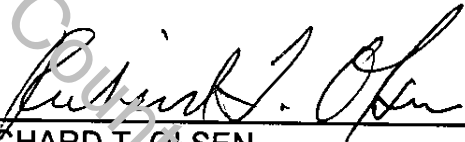
16. Lender in Possession. Upon acceleration under paragraph 15 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due.

Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.


17. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower's. Borrower's shall pay any recordation costs.

18. Waiver of Homestead. Borrower's waive all right of homestead exemption in the Property.

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



RICHARD T. OLSEN



RUTH ERICSON

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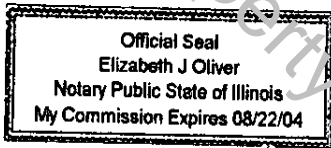
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STATE OF ILLINOIS)
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COUNTY OF COOK)

I, Elizabeth J. Oliver, a Notary Public in and for said county and state, do hereby certify that **RICHARD T. OLSEN** and **RUTH ERICSON**, are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledge that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and seal, this 5th day of December, 2002.



Elizabeth J. Oliver

Notary Public

This instrument was prepared by:

Kenneth R. Welker
Noble & Welker
4880 Euclid Avenue
Palatine, IL 60067
(847) 934-8700

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