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RECORDATION REQUESTED BY:

First American Bank
975 Busse Road
Elk Grove Village, IL 60007

916 12285

WHEN RECORDED MAIL TO:

First American Bank
975 Busse Road
Elk Grove Village, IL 60007

1612285

SEND TAX NOTICES TO:

Ronald K. Andersen and Susan S. Andersen
334 Churchill
Northfield, IL 60093

\$18.00

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE

THIS MORTGAGE IS DATED NOVEMBER 15, 1991, between Ronald K. Andersen and Susan S. Andersen, husband and wife, whose address is 334 Churchill, Northfield, IL 60093 (referred to below as "Grantor"); and First American Bank, whose address is 975 Busse Road, Elk Grove Village, IL 60007 (referred to below as "Lender").

GRANT OF MORTGAGE: For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures, all easements, rights, and appurtenances, all water, water rights, water courses, and ditch rights including stock in utilities with ditch or irrigation rights, and all other rights, titles, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar resources located in Cook County, State of Illinois (the "Real Property"):

PARCEL 1: Lot 4 in the resubdivision of Lots 15 to 30 inclusive in Block 4 in George F. Nixon and Company's first addition to Northfield, in the Southeast 1/4 of Section 24, Township 42 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois. **PARCEL 2:** The East 1/2 of the vacated alley lying West of Lot 4 in the resubdivision of Lots 15 and 30 inclusive in Block 4 in George F. Nixon and Company's first addition to Northfield, in the Southeast 1/4 of Section 24, Township 42 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois.

The Real Property or its address is commonly known as 334 Churchill, Northfield, IL 60093. The Real Property tax parcel identification number is 04-04-402-050.

Lender hereby assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Lender grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

DEFINITIONS: The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meaning attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Borrower: The word "Borrower" means Horizon Builders Corp.

Existing Indebtedness: The words "Existing Indebtedness" mean the indebtedness described below in the Existing Indebtedness section of this Mortgage.

Grantor: The word "Grantor" means any and all persons and entities executing this Mortgage, including without limitation all Grantors named above. The grantor in the mortgage under this Mortgage. Any Grantor who signs the Mortgage, but does not sign the Note, is signing this Mortgage only to grant and convey to Lender its interest in the Real Property and to grant a security interest in Grantor's interest in the Rents and Personal Property to Lender and is not personally liable under the Note except as otherwise provided by contract or law.

Guarantor: The word "Guarantor" means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

Improvements: The word "Improvements" means and includes, without limitation, all existing and future improvements, fixtures, buildings, structures, mobile homes, affixed on the Real Property, facilities, additions, and other construction on the Real Property.

Indebtedness: The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage.

Lender: The word "Lender" means First American Bank, its successors and assigns. The Lender is the mortgagee under this Mortgage.

Mortgage: The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

Note: The word "Note" means the promissory note or credit agreement, dated November 15, 1991, in the original principal amount of \$50,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is a variable interest rate based upon an index. The index currently is 7.500% per annum. The interest rate to be applied to the unpaid principal balance of this Mortgage shall be at a rate of 1.000 percentage points over the Index, resulting in an initial rate of 8.500% per annum. NOTICE: Under no circumstances shall the interest rate on this Mortgage be more than the maximum rate allowed by applicable law. The maturity date of this Mortgage is January 15, 1992. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

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DUE ON SALE - CONSENT BY LENDER. In the event of any sale or transfer of all or part of the Real Property, or any interest in the Real Property, or any interest in the Real Property, without the Lender's prior written consent, all or any part of the Real Property, or any interest in the Real Property, whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, sale, purchase contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. If any Grantor is a corporation or partnership, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock or partnership interests, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Illinois law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in the following paragraph.

Right To Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if required by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$10,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any co-insurance clause and with a standard mortgage clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$10,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's property is insured, Lender may, at its election, apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default hereunder. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to prepay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor.

Unexpired Insurance at Sale. Any unexpired insurance of all nature to the benefit of, and payable to, the purchaser of the Property covered by this Mortgage at any trustee's sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

Compliance with Existing Indebtedness. During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Mortgage. To the extent compliance with the terms of this Mortgage would constitute a duplication of insurance requirement, if any proceeds from the insurance become payable on loss, the provisions of this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the property insured; the current replacement value of such property; and the manner of determining that value; and (e) the expiration date of the policy. Grantor shall upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Mortgage, including any obligation to maintain Existing Indebtedness as provided and required below, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender may, at its election, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will be repaid at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses at Lender's option, will (a) be payable on demand; (b) be added to the balance of the Note and be apportioned among and be payable with any other payments to be made due during either: (i) the term of any applicable insurance policy; or (ii) the remaining term of the Note; or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Mortgage also will secure payment of these amounts. The right provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any action taken by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY, DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report or title certificate issued in favor of, and accepted by, Lender in connection with this Mortgage; and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this

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Mortgage Grantor shall defend the title at Grantor's expense. Grantor shall be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver or cause to be delivered to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

EXISTING INDEBTEDNESS. The following provisions concerning existing indebtedness (the "Existing Indebtedness") are a part of this Mortgage:

Existing Lien. The lien of the Mortgage securing the indebtedness may be secondary and inferior to an existing lien. Grantor expressly warrants and agrees to pay or see to the payment of the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

Default. If the payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the note evidencing such indebtedness, or should a default occur under the instrument securing such indebtedness and not be cured during any applicable grace period therein, then, at the option of Lender, the Indebtedness secured by this Mortgage shall become immediately due and payable, and this Mortgage shall be in default.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advance under any such security agreement without the prior written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation of the Property are a part of this Mortgage:

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase order of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness secured by this Mortgage on the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorney's fees necessarily paid or incurred by Grantor or Lender in connection with the condemnation.

Proceedings. If any proceeding or condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such action as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments as may be requested by it from time to time to permit such participation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take such other action as is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (a) a specific tax upon the type of Mortgage or upon all or any part of the Indebtedness secured by the Mortgage; (b) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by the Mortgage; (c) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (d) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default as defined below, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either: (a) pays the tax before becoming delinquent; or (b) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may at any time and without further authorization from Grantor file executed counterparts, copies or reproductions of the Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. In the event of a default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender cause to be filed, recorded, refiled, or re-recorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve, as the obligations of Grantor and Borrower under the Note, this Mortgage, and the Related Documents, and (b) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in the paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any

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reports (including foreclosure reports, security reports and appraisals) and other assistance to the extent permitted by applicable law. Borrower also will pay any court costs in addition to all other sums provided by law.

NOTICES TO GRANTOR AND OTHER PARTIES. Any notice under this Mortgage, including without limitation any notice of default and any notice of foreclosure, shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective when deposited in the United States mail first class registered mail postage prepaid, directed to the address shown near the beginning of this Mortgage. Any party may change the address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in the Mortgage. No alteration or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be benefited or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. Net operating income shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time by reason of the benefit of Lender's capacity, without the written consent of Lender.

Multiple Parties, Corporate Authority. All obligations of Grantor and Borrower under this Mortgage shall be joint and several, and all references to Grantor shall include each and every Grantor, and all references to Borrower shall include each and every Borrower. This means that each of the parties is jointly and severally responsible for all obligations in this Mortgage. Where any one or more of the Grantor or Borrowers are corporations or partnerships, the obligations for Lender to require into the powers of any of the Grantor or Borrowers or of the officers, directors, partners, or sole proprietors of such corporations or partnerships, and any indebtedness made or created or taken upon the proffered exercise of such powers, shall be guaranteed by this Mortgage.

Severability. If any provision of this Mortgage is held to be invalid or unenforceable as to any person or persons, the remainder of this Mortgage shall survive and the remainder shall be enforceable as to any person or persons. If any such provision is held to be invalid or unenforceable as to any person or persons, the remainder of this Mortgage shall remain valid and enforceable as to all other persons.

Successors and Assigns. All terms of the obligations stated in this Mortgage in transfer of Grantor's interest, this Mortgage shall be binding upon all persons. The terms of this Mortgage shall survive and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, with its consent, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of assignment or otherwise without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

Time Is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Grantor hereby waives and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness created by this Mortgage.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless a waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of any right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right to enforce its demand or its obligations with that provision or any other provision. No prior waiver by Lender, or any course of dealing between Lender and Grantor or Borrower, shall constitute a waiver of any of Lender's rights or any of Grantor or Borrower's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR

x 
Ronald K. Andersen

x 
Susan S. Andersen

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reasonable termination fee as determined by Lender from time to time

DEFAULT. Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage

Default on Indebtedness. Failure of Borrower to make any payment when due on the Indebtedness

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Related Documents

Braaches. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor or Borrower under this Mortgage, the Note or the Related Documents is, or at the time made or furnished was, false in any material respect

Insolvency. The insolvency of Grantor or Borrower, appointment of a receiver for any part of Grantor or Borrower's property, any assignment for the benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor or Borrower, or the dissolution or termination of Grantor or Borrower's existence as a going business (if Grantor or Borrower is a business). Except to the extent prohibited by Federal law or Illinois law, the death of Grantor or Borrower (if Grantor or Borrower is an individual) also shall constitute an Event of Default under this Mortgage

Foreclosure, etc. Commencement of foreclosure, whether by judicial proceeding, self-help repossession or any other method, by any creditor of Grantor against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender

Breach of Other Agreement. Any breach by Grantor or Borrower under the terms of any other agreement between Grantor or Borrower and Lender that is not terminated within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor or Borrower to Lender, whether existing now or later

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or such Guarantor dies or becomes incompetent

Insecurity. Lender reasonably deems it all measures

Existing Indebtedness. Default of Grantor under any Existing Indebtedness or under any instrument on the Property securing any Existing Indebtedness, or commencement of any suit or other action to foreclose any existing lien on the Property

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any two or more of the following rights and remedies, in addition to any other rights or remedies provided by law

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code

Collect Rents. Lender shall have the right, without notice to Grantor or Borrower, to take possession of the Property and collect the Rents due and payable in part due and unpaid and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are not paid by the tenant or other user, Lender may, at its option, designate Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to register the same, and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise this right under this subparagraph either in person, by agent, or through a receiver

Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale and to take the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may sell or dispose of the Property if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity

Sale of the Property. To the extent permitted by applicable law, Grantor or Borrower hereby waives any and all right to have the property sold at a public sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition

Waiver, Election of Remedies. A waiver by any party of a breach of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right to thereafter demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not constitute a waiver of the remedy, and an election to make expenditures or take action to perform an obligation of Grantor or Borrower under this Mortgage shall not affect Lender's right to declare a default and exercise its remedies under this Mortgage

Attorneys Fees Expenses. Lender shall be entitled to recover any and all reasonable attorneys' fees at law and in any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall be deemed a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the Note rate. Expenses covered by this paragraph include, without limitation, however, subject to any limits under applicable law, Lender's attorneys' fees and legal expenses, whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title

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This Mortgage prepared by:

Nancy Milota
First American Bank
975 Bascom Road
118 Green Village, IL 60007

INDIVIDUAL ACKNOWLEDGMENT

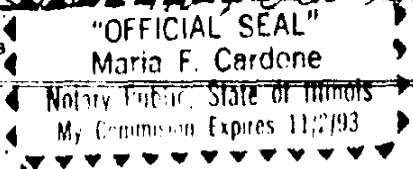
STATE OF Illinois)
) ss
COUNTY OF Cook)

On this day before me, the undersigned Notary Public, personally appeared **Ronald K. Andersen and Susan S. Andersen**, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 10th day of November, 1991.

By Maria F. Cardone Residing at 1475 Bascom Road, Green Village, IL 60007

Notary Public in and for the State of Illinois My commission expires



Property of Cook County Clerk's Office

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