



0010378713

This instrument prepared /
by and after recording /
return to: /
Sharon E. Hiller /
American National Bank /
One N. Dunton Avenue /
Arlington Hts., IL 60005 /

American National Bank
and Trust Company of Chicago

CROSS COLLATERALIZATION AND CROSS-DEFAULT AGREEMENT

This Cross-Collateralization and Cross-Default Agreement is made this 19th day of October, 2000 by and among Gary D. McGrath, an individual ("McGrath") and McGrath Imports, Inc., an Illinois corporation ("McGrath Imports") and McGrath Motors, Inc., an Illinois corporation ("McGrath Motors") and Gary D. McGrath, individually and Gary D. McGrath as Trustee of the Gary D. McGrath Trust No. 1 under Declaration of Trust dated October 23, 1996 (collectively "McGrath Trust") (sometimes collectively referred to as "Borrower" and/or "Borrowers"), and American National Bank and Trust Company of Chicago ("Bank").

WHEREAS, on October 19, 2000, McGrath executed in favor of Bank that certain Promissory Note (Secured) in the principal sum of Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00) (including any and all amendments, modifications, renewals, replacements and substitutions therefor). Such Note is secured by Real Estate located at 1421 E. Main Street, St. Charles, Illinois, and 301 Waukegan Road, Glenview, Illinois as evidenced by that certain mortgage dated December 11, 1992 recorded February 22, 1993 with the Cook County Recorder as Document No. 93135202 with a duplicate counterpart mortgage dated December 11, 1992 recorded February 16, 1993 with the Kane County Recorder as Document No. 93K11059, legally described in Exhibit "A" attached hereto and incorporated herein; and Real Estate located at 967 E. Chicago Street, Elgin, Illinois as evidenced by that certain mortgage dated October 6, 1999 recorded October 28, 1999 with the Cook County Recorder as Document No. 09014140 and re-recorded July 26, 2000 as Document No. 00563614, legally described in Exhibit "A" attached hereto and incorporated herein; and Real Estate located at 955 E. Chicago Street, Elgin, Illinois as evidenced by that certain mortgage dated October 6, 1999 recorded October 25, 1999 with the Cook County Recorder as Document No. 09014144 and re-recorded July 26, 2000 as Document No. 00563610, legally described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, on October 19, 2000, McGrath executed in favor of Bank that certain Installment Note (Secured) in the principal sum of Six Hundred Ninety Four thousand Two Hundred Two and 20/100 Dollars (\$694,202.20) (including any and all amendments, modifications, renewals, replacements and substitutions therefor). Such Note is secured by Real Estate located at 1421 E. Main Street, St. Charles, Illinois, and 301 Waukegan Road, Glenview, Illinois as evidenced by that certain mortgage dated December 11, 1992 and recorded February 22, 1993 with the Cook County Recorder as Document No. 93135202 and concurrently recorded February 16, 1993 with the Kane County Recorder as Document No. 93K11059, legally described in Exhibit "A" attached hereto and incorporated herein; and

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BOX 333-CTT

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Property of Cook County Clerk's Office

10-06-10

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WHEREAS, on January 26, 1998, McGrath Imports executed in favor of Bank that certain Installment Note (Secured) in the original principal sum of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) (including any and all amendments, modifications, renewals, replacements and substitutions therefor). Such Note is secured by Real Estate located at 1421 E. Main Street, St. Charles, Illinois, and 301 Waukegan Road, Glenview, Illinois as evidenced by that certain mortgage dated August 14, 1995 and recorded October 31, 1995 with the Cook County Recorder as Document No. 95742463 and concurrently recorded November 7, 1995 with the Kane County Recorder as Document No. 95K067999, legally described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, on October 19, 2000, McGrath Motors executed in favor of Bank that certain Installment Note (Secured) in the principal sum of Six Hundred Forty Thousand and 00/100 Dollars (\$640,000.00) (including any and all amendments, modifications, renewals, replacements and substitutions therefor). Such Note is secured by Real Estate located at 1421 E. Main Street, St. Charles, Illinois, and 301 Waukegan Road, Glenview, Illinois as evidenced by that certain mortgage dated August 14, 1995 and recorded October 31, 1995 with the Cook County Recorder as Document No. 95742463 and concurrently recorded November 7, 1995 with the Kane County Recorder as Document No. 95K067999, legally described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, on October 6, 1999, McGrath Trust executed in favor of Bank that certain Installment Note (Secured) in the original principal sum of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) (including any and all amendments, modifications, renewals, replacements and substitutions therefor). Such Note is secured by Real Estate located at 955 E. Chicago Street, Elgin, Illinois as evidenced by that certain mortgage dated October 6, 1999 and recorded October 28, 1999 with the Cook County Recorder as Document No. 09014140, legally described in Exhibit "A" attached hereto and incorporated herein; and Real Estate located at 967 E. Chicago Street, Elgin, Illinois as evidenced by that certain mortgage dated October 6, 1999 and recorded October 28, 1999 with the Cook County Recorder as Document No. 09014140, legally described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, each Borrower desires to induce Bank to extend financial accommodation to the other Borrower named herein, and each Borrower represents to Bank that it is engaged in the business as a corporate affiliate or subsidiary of the other Borrower and/or is engaged in selling, marketing, using or otherwise dealing goods supplied to by the other Borrower, or supplies the other Borrower goods sold, marketed, used or otherwise disposed of by the other Borrower, and/or expects to derive advantage to assist the other Borrower in procuring financial assistance from the Bank; or is an individual or partnership desiring to induce Bank at its option to extend financial accommodation to the other Borrower; and

WHEREAS, it is and has been the intention of McGrath, McGrath Motors, McGrath Imports and McGrath Trust and Bank to cross-collateralize and cross-default the loans and obligations of McGrath, McGrath Motors, McGrath Imports and McGrath Trust owing to the Bank; and

NOW, THEREFORE, in consideration of the foregoing premises and the promises contained herein and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties mutually agree as follows:

1. All of the collateral granted to Bank by McGrath pursuant to that certain Mortgage dated December 11, 1992 and that certain Mortgage dated October 6, 1999 (and any modifications and amendments thereto) is hereby pledged to secure all past, present and future obligations of McGrath

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Motors, McGrath Imports and McGrath Trust to Bank.

2. All of the collateral granted to Bank by McGrath Imports pursuant to that certain Mortgage dated August 14, 1995 (and any modifications and amendments thereto) is hereby pledged to secure all past, present and future obligations of McGrath, McGrath Motors and McGrath Trust to Bank.

3. All of the collateral granted to Bank by McGrath Motors pursuant to that certain Mortgage dated August 14, 1995 (and any modifications and amendments thereto) is hereby pledged to secure all past, present and future obligations of McGrath, McGrath Imports and McGrath Trust to Bank.

4. All of the collateral granted to Bank by McGrath Trust pursuant to those certain Mortgages dated October 6, 1995 (and any modifications and amendments thereto) is hereby pledged to secure all past, present and future obligations of McGrath, McGrath Imports and McGrath Motors to Bank.

5. Any default under the past, present and future obligations of McGrath owed to Bank shall constitute an Event of Default under all past, present and future obligations of McGrath Motors, McGrath Imports and McGrath Trust owed to Bank; and any default under the past, present and future obligations of McGrath Motors owed to Bank shall constitute an Event of Default under all past, present and future obligations of McGrath, McGrath Imports and McGrath Trust owed to Bank, and any default under the past, present and future obligations of McGrath Imports owed to Bank shall constitute an Event of Default under all past, present and future obligations of McGrath, McGrath Motors and McGrath Trust owed to Bank, and any default under the past, present and future obligations of McGrath Trust owed to Bank shall constitute an Event of Default under all past, present and future obligations of McGrath, McGrath Motors and McGrath Imports owed to Bank.

6. The Borrowers agree that all provisions, stipulations, powers and covenants in the Notes and other agreements referenced above shall remain in full force and effect.

7. This Agreement shall be construed in accordance with the internal laws of the State of Illinois.

8. This Agreement shall inure to the benefit of the Bank's successors and assigns, and shall be binding upon the Borrowers' successors and assigns.

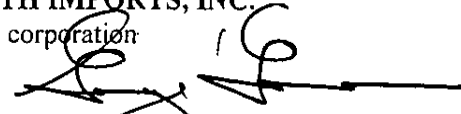
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first written above.

"BORROWER"



Gary D. McGrath, individually

MCGRATH IMPORTS, INC.
an Illinois corporation

By: 

Gary D. McGrath, President

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STATE OF ILLINOIS)
)SS.
COUNTY OF Kane)

This instrument was acknowledged before me on October 19, 2000 (date) by Gary D. McGrath as President of McGrath Imports, Inc.



Marifrances Hartl
Notary Public

STATE OF ILLINOIS)
)SS.
COUNTY OF Kane)

This instrument was acknowledged before me on October 19, 2000 (date) by Gary D. McGrath as Trustee of the Gary D. McGrath Trust No. 1 under Declaration of Trust dated October 23, 1996



Marifrances Hartl
Notary Public

STATE OF ILLINOIS)
)SS.
COUNTY OF Kane)

This instrument was acknowledged before me on October 17, 2000 (date) by Jeffrey A. Wheeler as Asst. Vice President of American National Bank and Trust Company of Chicago.



Marifrances Hartl
Notary Public

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EXHIBIT "A"
TO
CROSS-COLLATERALIZATION AND CROSS-DEFAULT
AGREEMENT
DATED October 19, 2000

LEGAL DESCRIPTION:

THAT PART OF LOTS 8 AND 9 OF THE PLAT OF THE COUNTY CLERK'S SUBDIVISION OF UNSUBDIVIDED LOTS IN SECTION 18, TOWNSHIP 41 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF SAID LOT 8 WITH THE SOUTHERLY RIGHT OF WAY LINE OF STATE ROUTE 19 (SAID RIGHT OF WAY LINE BEING 50.0 FEET SOUTHWESTERLY OF, AS MEASURED PERPENDICULARLY TO THE CENTER LINE OF SAID HIGHWAY); THENCE SOUTH 07 DEGREES 55 MINUTES 00 SECONDS WEST ALONG THE WESTERLY LINE OF SAID LOT 8 A DISTANCE OF 413.39 FEET FOR THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 17 MINUTES 00 SECONDS EAST 175.25 FEET; THENCE NORTH 0 DEGREES 19 MINUTES 20 SECONDS WEST 200.36 FEET; THENCE NORTH 8 DEGREES 02 MINUTES 45 SECONDS EAST 149.97 FEET TO THE SOUTHERLY RIGHT OF WAY OF STATE ROUTE 19 AFORESAID TO A POINT THAT IS 150.0 FEET SOUTHEASTERLY OF THE POINT OF COMMENCEMENT (AS MEASURED ALONG SAID SOUTHERLY RIGHT OF WAY LINE); THENCE NORTH 67 DEGREES 05 MINUTES 12 SECONDS WEST 303.53 FEET; THENCE SOUTH 07 DEGREES 55 MINUTES 00 SECONDS WEST 326.77 FEET TO THE NORTH LINE OF A TRACT OF LAND DEDICATED TO THE CITY OF ELGIN BY DOCUMENT NO. 26348841 RECORDED SEPTEMBER 13, 1982; THENCE NORTH 89 DEGREES 17 MINUTES 00 SECONDS EAST ALONG SAID NORTH LINE 3.75 FEET TO A JOG IN SAID TRACT; THENCE SOUTH 67 DEGREES 56 MINUTES 36 SECONDS EAST ALONG SAID TRACT 149.11 FEET TO A JOG IN SAID TRACT; THENCE SOUTH 07 DEGREES 55 MINUTES 00 SECONDS WEST ALONG THE EAST LINE OF SAID TRACT (ALSO BEING THE WEST LINE OF LOT 8 AFORESAID), 90.48 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ELGIN, COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 955 E. Chicago Street, Elgin, Illinois

PIN NO.: 06-18-302-056-0000
06-18-302-058-0000
06-18-401-011-0000
06-18-401-018-0000
06-18-401-026-0000

LEGAL DESCRIPTION:

THAT PART OF LOT 8 OF THE PLAT OF THE COUNTY CLERK'S SUBDIVISION OF UNSUBDIVIDED LOTS IN SECTION 18, TOWNSHIP 41 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF SAID LOT 8 WITH THE SOUTHERLY RIGHT OF WAY LINE OF STATE ROUTE 19 (SAID RIGHT OF WAY LINE BEING 50.0 FEET SOUTHWESTERLY OF, AS MEASURED PERPENDICULARLY TO THE CENTER LINE OF SAID

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10378713

HIGHWAY), THENCE SOUTH 07 DEGREES 55 MINUTES 00 SECONDS WEST ALONG THE WESTERLY LINE OF SAID LOT 8 A DISTANCE OF 413.39 FEET FOR THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 07 DEGREES 55 MINUTES 00 SECONDS WEST ALONG SAID WESTERLY LINE OF LOT 8, A DISTANCE OF 518.04 FEET; THENCE NORTH 89 DEGREES 07 MINUTES 30 SECONDS EAST 252.18 FEET; THENCE NORTH 0 DEGREES 49 MINUTES 27 SECONDS WEST 306.46 FEET; THENCE NORTH 0 DEGREES 19 MINUTES 20 SECONDS WEST 205.01 FEET; THENCE SOUTH 89 DEGREES 17 MINUTES 00 SECONDS WEST 175.25 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ELGIN, COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 967 E. Chicago Street, Elgin, Illinois

PIN NO.: 06-18-401-018-0000
06-18-401-026-0000

PARCEL ONE: THAT PART OF THE SOUTHWEST ¼ OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID SOUTHWEST ¼; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID SECTION 26, 749.80 FEET TO THE SOUTHERLY LINE OF BLOCK 3 IN W. H. WILCOX SECOND ADDITION TO ST. CHARLES; THENCE EASTERLY ALONG SAID SOUTHERLY LINE 75.40 FEET TO THE SOUTHEAST CORNER OF SAID SECOND ADDITION; THENCE NORTHERLY ALONG THE EASTERLY LINE OF SAID BLOCK 3, 800.0 FEET TO THE NORTHEAST CORNER OF SAID BLOCK; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF INDIANA AVENUE EXTENDED 71.60 FEET TO THE OLD CLAIM LINE; THENCE NORTHERLY ALONG SAID OLD CLAIM LINE 278.41 FEET TO THE NORTHERLY LINE OF THE RIGHT OF WAY OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY (FORMERLY THE CHICAGO GREAT WESTERN RAILROAD) FOR A POINT OF BEGINNING; THENCE CONTINUING NORTH 17 DEGREES, 01 MINUTES, 23 SECONDS WEST ALONG SAID CLAIM LINE 405.75 FEET TO THE SOUTHERLY LINE OF EAST MAIN STREET; THENCE EASTERLY ALONG SAID SOUTHERLY LINE, BEING ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 9466.21 FEET, 657.46 FEET TO A POINT OF TANGENCY; THENCE NORTH 78 DEGREES, 18 MINUTES, 0 SECONDS EAST ALONG SAID SOUTHERLY LINE 163.54 FEET; THENCE SOUTH 11 DEGREES, 42 MINUTES, 0 SECONDS EAST 594.75 FEET TO SAID NORTHERLY LINE; THENCE WESTERLY ALONG SAID NORTHERLY LINE 800.64 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

Commonly known as: 1421 E. Main Street, St. Charles, Illinois 60126
PIN No.: 09-26-302-007 and 09-26-302-010

PARCEL TWO: LOT 1 IN NUGENT-CARLSON RESUBDIVISION, BEING A RESUBDIVISION OF LOT 1 IN FALSING'S RESUBDIVISION IN DEWE'S ADDITION TO GOLF A SUBDIVISION OF FRACTIONAL SECTION 7, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 9, 1981 AS DOCUMENT 25730733 IN COOK COUNTY, ILLINOIS.

Commonly known as: 301 Waukegan Road, Glenview, Illinois 60025
PIN No.: 10-07-312-008

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