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Doc#: 0434312148
Eugene "Gene" Moore Fee: \$56.50
Cook County Recorder of Deeds
Date: 12/08/2004 03:39 PM Pg: 1 of 17

MORTGAGE MODIFICATION AGREEMENT

This Mortgage Modification Agreement dated this 30th day of September, 2004 entered into by and between MRC POLYMERS, INC., an Illinois corporation ("Borrower") and LASALLE BANK NATIONAL ASSOCIATION ("Lender").

RECITALS:

WHEREAS, Borrower has executed and delivered to Lender that certain Mortgage and Security Agreement ("Mortgage") dated January 5, 2004 which was recorded with the Recorder of Deeds of Cook County, Illinois on January 14, 2004 as Document Number 0401442044 encumbering that certain parcel of real property described in Exhibit "A" attached hereto and all other Mortgaged Property as defined therein (collectively, the "Mortgaged Property"); and

WHEREAS, Borrower has also executed and delivered to Lender that certain Assignment of Rents and Leases (the "Assignment of Rents and Leases") dated January 5, 2004 which was recorded with the Recorder of Deeds of Cook County, Illinois on January 14, 2004 as Document 0401442045 encumbering the Mortgaged Property; and

WHEREAS, the Mortgage and Assignment of Rents and Leases were modified by those certain Mortgage Modification Agreements dated July 28, 2004 and September 3, 2004; and

WHEREAS, Borrower and Lender are desirous of further amending the Mortgage and Assignment of Rents and Leases as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged,

**THIS INSTRUMENT PREPARED BY AND
UPON RECORDING SHOULD BE
RETURNED TO:**

John T. Duax
Michael Best & Friedrich LLP
401 North Michigan Avenue
Suite 1900
Chicago, Illinois 60611



PERMANENT TAX INDEX NUMBER:

16-35-107-001-0000	16-35-107-002-0000
16-35-107-003-0000	16-35-107-004-0000
16-35-107-005-0000	16-35-107-006-0000
16-35-107-007-0000	16-35-107-008-0000
16-35-107-009-0000	16-35-107-041-0000
16-35-107-046-0000	16-35-107-047-0000
16-35-107-048-0000	16-35-200-001-0000
16-35-200-007-0000	16-35-200-002-0000
16-35-107-042-0000	16-35-107-040-0000

STREET ADDRESS:
3535 West 31st Street
Chicago, Illinois

Obligor # 656167188

SK
P17
My
BME

17

565/V

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IT IS AGREED:

1. That the Mortgage and Assignment of Rents and Leases are hereby modified to provide that any and all references in same to the "Revolving Note" and the "Secured Note No. 1" shall be deemed references to the "Second Amended Revolving Credit Note" and "Second Amended Secured Promissory Note" attached hereto as Exhibits "B" and "C" which mature on October 31, 2005 and January 31, 2005, respectively, and the terms of which are hereby incorporated by reference into the Mortgage and Assignment of Rents and Leases.

2. Except as may be expressly set forth herein to the contrary, the terms of the Mortgage, as modified by this Modification Agreement and above noted prior modification agreements and the terms of the Assignment of Rents and Leases, as modified by this Modification Agreement and the above noted prior modification agreements remain unmodified and all the terms and conditions thereof remain in full force and effect.

[SIGNATURE PAGE FOLLOWS]

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MORTGAGOR:

MRC POLYMERS, INC., an Illinois corporation

By: Steven V. Sola
Name: Steven V. Sola
Title: C.F.O.

LENDER:

LASALLE BANK NATIONAL ASSOCIATION

By: Joseph A. Stetels
Name: JOSEPH A STETELS
Title: EVP

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Steven V. Sola, personally known to me to be the CFO. of MRC Polymers, Inc., an Illinois corporation, and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such PERSON, he signed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

Given under my hand and official seal this 28th day of October, 2004.



Colleen M. Farrell
NOTARY PUBLIC

My commission expires: 10/3/05

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EXHIBIT "A" TO MORTGAGE MODIFICATION AGREEMENT

LEGAL DESCRIPTION

PARCEL 1:

THE WEST 333 FEET OF THAT PART OF THE WEST 1/2 OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THAT PORTION CONVEYED TO THE CHICAGO AND GRAND TRUNK RAILROAD COMPANY BY DEED RECORDED AS DOCUMENT 293080 (THE RIGHT OF WAY CONVEYED BY SAID DEED NOW COMMONLY KNOWN AS THAT OF ILLINOIS NORTHERN RAILWAY) (EXCEPT THAT PART THEREOF DEDICATED FOR S. CENTRAL PARK AVENUE, BY INSTRUMENT RECORDED JUNE 4, 1875 AS DOCUMENT 32096 AND ALSO EXCEPT THE NORTH 33 FEET THEREOF) IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE WEST 1/2 OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE NORTH 33 FEET THEREOF AND NORTH OF THE NORTHERLY LINE OF THE RIGHT OF WAY CONVEYED TO THE CHICAGO AND GRAND TRUNK RAILROAD COMPANY BY DEED RECORDED AS DOCUMENT 293080 (RIGHT OF WAY CONVEYED BY SAID DEED NOW COMMONLY KNOWN AS THAT OF THE ILLINOIS NORTHERN RAILWAY) (EXCEPT THE WEST 333 FEET OF THAT PART OF THE WEST 1/2 OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THAT PORTION CONVEYED TO THE CHICAGO AND GRAND TRUNK RAILROAD COMPANY BY DEED RECORDED AS DOCUMENT 293080 (THE RIGHT OF WAY CONVEYED BY SAID DEED NOW COMMONLY KNOWN AS THAT OF ILLINOIS NORTHERN RAILWAY) AND EXCEPT THAT PART THEREOF DEDICATED FOR S. CENTRAL PARK AVENUE, BY INSTRUMENT RECORDED JUNE 4, 1875 AS DOCUMENT 32096), IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOTS 1 TO 9 INCLUSIVE IN BLOCK 1 IN GARY AND JACOBSON'S SUBDIVISION OF THAT PART OF THE EAST 1/2 OF THE EAST 1/2 OF NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE WEST FORK OF SOUTH BRANCH OF CHICAGO RIVER, IN COOK COUNTY, ILLINOIS.

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PARCEL 4:

LOTS 10 THROUGH 45 INCLUSIVE IN BLOCK 1 IN GARY AND JACOBSON'S SUBDIVISION OF THAT PART OF THE EAST 1/2 OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE WEST FORK OF THE SOUTH BRANCH OF CHICAGO RIVER, IN COOK COUNTY, ILLINOIS. ✓

Property Address: 3535 W. 31st Street, Chicago, IL 60623

PINs: 16-35-107-001-0000
16-35-107-002-0000
16-35-107-003-0000
16-35-107-004-0000
16-35-107-005-0000
16-35-107-006-0000
16-35-107-007-0000
16-35-107-008-0000
16-35-107-009-0000
16-35-107-041-0000
16-35-107-046-0000
16-35-107-047-0000
16-35-107-048-0000
16-35-200-001-0000
16-35-200-007-0000
16-35-200-002-0000
16-35-107-042-0000
16-35-107-040-0000

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EXHIBIT "B" TO MORTGAGE MODIFICATION AGREEMENT

SECOND AMENDED REVOLVING CREDIT NOTE

\$6,000,000.00

September 30, 2004
Chicago, Illinois

FOR VALUE RECEIVED, the undersigned, **MRC POLYMERS, INC.**, an Illinois corporation ("Borrower"), hereby promises to pay to the order of **LASALLE BANK NATIONAL ASSOCIATION** ("Lender"), with its principal office and place of business located at 135 South LaSalle Street, Chicago, Illinois 60603, or any successor holder of this Note (the "Note"), at Lender's principal place of business, or such other place or places as Lender from time to time may designate in writing, the principal sum of SIX MILLION AND NO/100 (\$6,000,000.00) DOLLARS (the "Loan"), or such lesser amount as may be advanced and not repaid pursuant to the terms of the hereafter defined Loan Agreement, in lawful money of the United States of America, together with interest calculated in arrears at the rates of interest (the "Interest Rates") on the unpaid principal balance hereof from time to time outstanding, at the times and Interest Rates as described in the hereafter defined Loan Agreement together with a final payment of the full remaining principal balance hereof together with all remaining accrued interest on October 31, 2005 (the "Maturity Date").

This Note is executed and delivered by Borrower to Lender in connection with that certain Loan Agreement of even date herewith executed by Borrower and Lender as amended by that certain Modification Agreement dated July 28, 2004 and further amended by that certain Second Modification Agreement dated September 3, 2004 and that certain Third Modification Agreement of even date herewith (the "Loan Agreement"). Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Note have the meanings in the Loan Agreement. All interest due hereunder shall be computed for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days. Monthly interest installments will change to reflect changes in the Interest Rate, and changes in the principal balance from time to time as provided herein. To the extent the term "prime lending rate" is used herein, Borrower acknowledges and agrees that the term is not intended to reflect nor does said term imply that said rate of interest is a preferred rate of interest or one offered by Lender to only its most credit-worthy customers.

Receipt of a check shall not constitute payment hereunder until such check is fully and finally honored by the bank upon which it is drawn, and any wire transfer of funds shall not constitute payment until actually credited to such bank account of Lender as Lender may from time to time designate. If Lender receives any payment due hereunder more than five (5) days after the due date thereof, then, upon Lender's request, all payments thereafter shall be made by wire transfer, cashier's or certified check.

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1. Revolving Credit. The loan evidenced by this Note is a revolving loan, and so long as no Default or Event of Default exists, Borrower may borrow, repay and reborrow amounts hereunder provided, however, that the outstanding principal balance hereof shall never exceed the Maximum Revolving Facility.

2. Security for Note. The payment of this Note is secured by all security interests, liens, pledges, assignments and encumbrances concurrently herewith and/or from time to time hereafter granted by or for Borrower to Lender in connection with this Note, including, but not limited to, the liens evidenced by the Financing Agreements and such other instruments, documents and agreements evidencing and/or securing the payment of this Note as Borrower or any other person executes and delivers to Lender now and from time to time hereafter. (This Note, the Loan Agreement and all other documents defined as the "Financing Agreements" in the Loan Agreement are all collectively referred to herein as the "Financing Agreements".)

3. Acceleration on Default; Waivers. If any payment due under this Note or any other monies owing from Borrower to Lender hereunder or under the Financing Agreements is not paid when due or if a Default or Event of Default occurs under any of the Financing Agreements (after the expiration of any applicable grace or cure periods specifically provided for therein) (collectively referred to herein as a "Default"), then all indebtedness evidenced by this Note, together with all other monies owing hereunder by Borrower to Lender, will, at the option of Lender, be immediately due and payable in full. The acceptance by Lender of any payment, partial or otherwise, made hereunder after the time when it becomes due as herein set forth will not establish a custom or constitute a waiver by Lender of any right to enforce prompt payment thereof or a waiver of any other Default or the same Default on another occasion. BORROWER HEREBY WAIVES THE APPLICATION OF ANY AND ALL OF ITS RIGHTS AND POWERS UNDER ALL STATUTES OF LIMITATION AND SIMILAR STATUTES AND LAWS AS TO THIS NOTE. DEMAND, PRESENTMENT FOR PAYMENT, PROTEST AND NOTICE OF NON-PAYMENT AND PROTEST HEREBY ARE WAIVED BY BORROWER AND EVERY ENDORSER AND/OR GUARANTOR HEREOF.

4. Default Rate of Interest. Upon Default, including failure to pay upon the Maturity Date, Lender, at its option, may also, if permitted under applicable law increase the applicable Interest Rate on this Note four (4) percentage points (the "Default Rate").

5. Late Payment Provision. If payment is ten (10) days or more late, Borrower will be charged five percent (5%) of the regularly scheduled payment or Twenty Five Dollars (\$25), whichever is greater.

6. Application of Payments. Unless otherwise agreed to, in writing, or otherwise required by applicable law, payments will be applied first to accrued, unpaid interest, then to principal, and any remaining amount to any unpaid collection costs, late charges and other charges; provided, however, upon delinquency or other Default, Lender reserves the right to apply payments among principal, interest, late charges, collection costs and other charges at its discretion. All prepayments shall be applied to the indebtedness owing hereunder in such order and manner as Lender may from time to time determine in its sole discretion.

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7. Fees and Expenses. If Lender employs counsel for advice with respect to the Financing Agreements to respond to any request of Borrower, including but not limited to, a request for a consent, waiver, amendment or interpretation of the Financing Agreements or to intervene, file a petition, answer, motion or other pleading in any suit or proceeding (bankruptcy or otherwise) relating to the Financing Agreements, or to attempt to collect this Note or said other monies from, or to enforce the Financing Agreements, against Borrower or any other party, then, in any such event, to the extent permitted by law all of the reasonable attorneys' paralegal fees, and expenses arising from such services, and all expenses, court costs and charges relating thereto, shall be an additional liability owing hereunder by Borrower to Lender, and bearing interest at the Default Rate, until paid in full to Lender and shall be secured by the lien evidenced by the Financing Agreements.

8. Interest Limitation. All agreements between Borrower and Lender expressly are limited so that in no contingency or event whatsoever, whether by reason of disbursement of the proceeds hereof or otherwise, shall the amount paid or agreed to be paid by Borrower to Lender for the use, detention or forbearance of the amounts to be disbursed hereunder exceed the highest lawful rate of interest permissible under the law which a court of competent jurisdiction, by a final non-appealable order, determines is applicable hereto ("Highest Lawful Rate"). If fulfillment of any provision herein contained at the time performance of such provision becomes due involves exceeding the Highest Lawful Rate, then ipso facto, the obligation to fulfill the same shall be reduced to such Highest Lawful Rate. If by any circumstance Lender shall ever receive as interest an amount which would exceed the Highest Lawful Rate, the amount which may be deemed excessive interest shall be applied to the principal and not to interest, or, if such excessive interest exceeds the unpaid principal under this Note, such excess shall be refunded to Borrower. All interest paid or agreed to be paid to Lender under this Note or any instrument executed in connection with this Note shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension of this Note) so that the interest on this Note for such full period shall not exceed interest computed at the Highest Lawful Rate. It is Lender's intention that the performance of any provision herein never result in any payments due or paid which involve exceeding the Highest Lawful Rate. The terms and provisions of this Paragraph shall control all other terms and provisions contained herein and in the other Financing Agreements.

9. Waivers; Continued Liability. It is agreed that the granting to Borrower or any other party of an extension or extensions of time for the payment of any sum or sums due under this Note or the other Financing Agreements or for the performance of any term, provision, covenant or agreement of this Note or the other Financing Agreements, or the taking or releasing of security or Collateral for the payment of this Note or the exercising or failure to exercise of any right or power under this Note or the other Financing Agreements, shall not in any way release or affect the liability of Borrower evidenced by this Note.

10. Amendments and Modifications. This Note may not be amended or modified, nor shall any revision hereof be effective, except by an instrument in writing expressing such intention executed by Lender and directed to Borrower.

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11. Choice of Law, Submission to Jurisdiction, Waiver of Venue and Consent to Service. THIS NOTE SHALL BE CONSTRUED IN ALL RESPECTS IN ACCORDANCE WITH AND GOVERNED BY THE LAWS AND DECISIONS (WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAW PRINCIPLES THEREOF) OF THE STATE OF ILLINOIS. THE BORROWER (A) HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY ILLINOIS STATE OR FEDERAL COURT SITTING IN CHICAGO, ILLINOIS OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE, AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ILLINOIS STATE OR FEDERAL COURT, AND (B) AGREES NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST THE LENDER OR THE DIRECTORS, OFFICERS, OR EMPLOYEES OF LENDER OR PROPERTY OF THE LENDER, ARISING OUT OF OR RELATING TO THIS NOTE, IN ANY COURT OTHER THAN AS HEREINABOVE SPECIFIED IN THIS SECTION. THE BORROWER HEREBY IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE IN ANY ACTION OR PROCEEDING (WHETHER BROUGHT BY THE BORROWER, THE LENDER OR OTHERWISE) IN ANY COURT HEREINABOVE SPECIFIED AS WELL AS ANY RIGHT IT MAY NOW OR HEREAFTER HAVE TO REMOVE ANY SUCH ACTION OR PROCEEDING, ONCE COMMENCED, TO ANOTHER COURT ON THE GROUNDS OF FORUM NON CONVENIENS OR OTHERWISE. THE BORROWER AGREES THAT A FINAL JUDGMENT (FOLLOWING THE FINAL RESOLUTION OF ANY APPEAL THEREFROM) IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. PERSONAL SERVICE OF ANY KIND AND ALL PROCESS IS HEREBY WAIVED BY BORROWER, AND BORROWER CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE PROPERLY MADE IF MAILED BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTAGE PREPAID, DIRECTED TO THE BORROWER AT THE ADDRESS APPEARING ON THE RECORDS OF THE LENDER IN THE MANNER PROVIDED BY APPLICABLE STATUTE, LAW, RULE OF COURT, OR OTHERWISE.

12. Jury Waiver. THE UNDERSIGNED AND LENDER (BY ITS ACCEPTANCE HEREOF) HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN OR AMONG THE UNDERSIGNED AND LENDER ARISING OUT OF OR IN ANY WAY RELATED TO THIS NOTE OR ANY OTHER FINANCING AGREEMENTS. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO PROVIDE THE FINANCING DESCRIBED HEREIN OR IN THE OTHER FINANCING AGREEMENTS.

13. Binding Effect. Wherever the term "Borrower" is used in this Note, the term shall include (unless otherwise expressly indicated) all of Borrower's successors, and assigns, as the case may be. This Note shall be binding upon Borrower and shall inure to the benefit of Lender and its successors and assigns.

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14. Severability. Any provision of this Note which is unenforceable or contrary to applicable law, the inclusion of which would affect the validity, legality or enforcement of this Note, shall be of no effect, to the extent of such prohibition or invalidity, and in such case all the remaining terms and provisions of this Note shall be fully effective, the same as though no such invalid provision had ever been included in this Note.

15. No Novation. This Note is in substitution and replacement for, but not in payment of, that certain Amended Revolving Credit Note dated as of September 3, 2004 in the original principal amount of \$5,000,000.00 from the Borrower (the "Existing Note"). The indebtedness evidenced by the Existing Note is continuing indebtedness, and nothing herein shall be deemed to constitute a payment, settlement or novation of the Existing Note, or release or otherwise adversely affect any lien, mortgage, or security interest securing such indebtedness or any rights of the Lender against any party. All amounts outstanding under the Existing Note shall be automatically transferred to, and shall be deemed to be outstanding under this Note.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Note as of the day and year first above written.

MRC POLYMERS, INC., an Illinois corporation

By: Steven V. Sola
 Name: Steven V. Sola
 Title: CFO

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EXHIBIT "B" TO MORTGAGE MODIFICATION AGREEMENT

SECOND AMENDED SECURED PROMISSORY NOTE

\$1,120,000.00

September 30, 2004
Chicago, Illinois

FOR VALUE RECEIVED, the undersigned, **MRC Polymers, Inc.**, an Illinois corporation ("Borrower"), hereby promises to pay to the order of **LaSalle Bank National Association** ("Lender"), with an office and place of business located at 135 S. LaSalle, Chicago, IL 60603, or any successor holder of this Note (the "Note"), at Lender's principal place of business, or such other place or places as Lender from time to time may designate in writing, the principal sum of ONE MILLION ONE HUNDRED TWENTY THOUSAND AND NO/100 DOLLARS (\$1,120,000.00), in lawful money of the United States of America, together with interest calculated in arrears at the rate of the announced prime lending rate of Lender plus $\frac{3}{4}$ of one percent (.75%) (the "Interest Rate") on the unpaid principal balance hereof from time to time outstanding in installments of principal and interest as follows:

- (a) Monthly payments of interest commencing on September 30, 2004 and continuing on the first day of each month thereafter (each a "Payment Date") calculated at the Interest Rate on the then outstanding principal balance hereof on each Payment Date; and
- (B) A final payment of the remaining principal balance hereof together with accrued interest on January 31, 2005 (the "Maturity Date").

This Note is executed and delivered by Borrower to Lender in connection with that certain Loan Agreement dated January 5, 2004 as amended (the "Loan Agreement"). Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Note have the meanings in the Loan Agreement. All interest due hereunder shall be computed for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days. Monthly interest installments will change to reflect changes in the Interest Rate, and changes in the principal balance from time to time as provided herein. To the extent the term "prime lending rate" is used herein, Borrower acknowledges and agrees that the term is not intended to reflect nor does said term imply that said rate of interest is a preferred rate of interest or one offered by Lender to only its most credit-worthy customers.

Receipt of a check shall not constitute payment hereunder until such check is fully and finally honored by the bank upon which it is drawn, and any wire transfer of funds shall not constitute payment until actually credited to such bank account of Lender as Lender may from time to time designate. If Lender receives any payment due hereunder more than five (5) days after the due date thereof, then, upon Lender's request, all payments thereafter shall be made by wire transfer, cashier's or certified check.

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16. Security for Note. The payment of this Note is secured by all security interests, liens, pledges, assignments and encumbrances concurrently herewith and/or from time to time hereafter granted by or for Borrower or any other party to Lender in connection with this Note, including, but not limited to, the liens evidenced by that certain Mortgage and Security Agreement dated January 5, 2004, encumbering the property and improvements located at 3535 W. 31st Street, Chicago, IL (the "Premises") executed by Borrower in favor of Lender to secure payment of the Note (the "Mortgage"), that certain Assignment of Leases and Rents dated January 5, 2004 executed by Borrower and Lender (the "Assignment"), that certain Guaranty dated January 5, 2004 executed by Daniel Eberhardt (the "Guaranty"), that certain Environmental Indemnity Agreement dated January 5, 2004 executed by Borrower and Lender (the "Indemnity Agreement") and such other instruments, documents and agreements evidencing and/or securing the payment of this Note as Borrower or any other person executes and delivers to Lender now and from time to time hereafter. (The Note, Loan Agreement and Mortgage and all other documents as described in the preceding sentence are herein collectively referred to as the "Loan Documents".) The Premises, and all other property, rights and assets pledged or given to secure this Note under the Loan Documents are herein referred to as the "Mortgaged Property". The terms and provisions of the Mortgage and the Loan Documents are incorporated herein by this reference thereto as if fully set forth herein including but not limited to the right to accelerate the full amount due hereunder in the event of the occurrence of a Prohibited Transaction as defined in the Mortgage.

17. Acceleration on Default; Waivers. If any payment due under this Note or any other monies owing from Borrower to Lender hereunder or under the Financing Agreements is not paid when due or if a Default or Event of Default occurs under any of the Financing Agreements (after the expiration of any applicable grace or cure periods specifically provided for therein) (collectively referred to herein as a "Default"), then all indebtedness evidenced by this Note, together with all other monies owing hereunder by Borrower to Lender, will, at the option of Lender, be immediately due and payable in full. The acceptance by Lender of any payment, partial or otherwise, made hereunder after the time when it becomes due as herein set forth will not establish a custom or constitute a waiver by Lender of any right to enforce prompt payment thereof or a waiver of any other Default or the same Default on another occasion. BORROWER HEREBY WAIVES THE APPLICATION OF ANY AND ALL OF ITS RIGHTS AND POWERS UNDER ALL STATUTES OF LIMITATION AND SIMILAR STATUTES AND LAWS AS TO THIS NOTE. DEMAND, PRESENTMENT FOR PAYMENT, PROTEST AND NOTICE OF NON-PAYMENT AND PROTEST HEREBY ARE WAIVED BY BORROWER AND EVERY ENDORSER AND/OR GUARANTOR HEREOF.

18. Default Rate of Interest. Upon Default, including failure to pay upon the Maturity Date, Lender, at its option, may also, if permitted under applicable law increase the applicable Interest Rate on this Note four (4) percentage points (the "Default Rate").

19. Late Payment Provision. If payment is ten (10) days or more late, Borrower will be charged five percent (5%) of the regularly scheduled payment or Twenty Five (\$25.00) Dollars, whichever is greater.

20. Application of Payments. Unless otherwise agreed to, in writing, or otherwise required by applicable law, payments will be applied first to accrued, unpaid interest, then to principal, and any remaining amount to any unpaid collection costs, late charges and other

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charges; provided, however, upon delinquency or other Default, Lender reserves the right to apply payments among principal, interest, late charges, collection costs and other charges at its discretion. All prepayments shall be applied to the indebtedness owing hereunder in such order and manner as Lender may from time to time determine in its sole discretion.

21. Fees and Expenses. If Lender employs counsel for advice with respect to the Financing Agreements to respond to any request of Borrower, including but not limited to, a request for a consent, waiver, amendment or interpretation of the Financing Agreements or to intervene, file a petition, answer, motion or other pleading in any suit or proceeding (bankruptcy or otherwise) relating to the Financing Agreements, or to attempt to collect this Note or said other monies from, or to enforce the Financing Agreements, against Borrower or any other party, then, in any such event, to the extent permitted by law all of the reasonable attorneys' paralegal fees, and expenses arising from such services, and all expenses, court costs and charges relating thereto, shall be an additional liability owing hereunder by Borrower to Lender, and bearing interest at the Default Rate, until paid in full to Lender and shall be secured by the lien evidenced by the Financing Agreements.

22. Interest Limitation. All agreements between Borrower and Lender expressly are limited so that in no contingency or event whatsoever, whether by reason of disbursement of the proceeds hereof or otherwise, shall the amount paid or agreed to be paid by Borrower to Lender for the use, detention or forbearance of the amounts to be disbursed hereunder exceed the highest lawful rate of interest permissible under the law which a court of competent jurisdiction, by a final non-appealable order, determines is applicable hereto ("Highest Lawful Rate"). If fulfillment of any provision herein contained at the time performance of such provision becomes due involves exceeding the Highest Lawful Rate, then ipso facto, the obligation to fulfill the same shall be reduced to such Highest Lawful Rate. If by any circumstance Lender shall ever receive as interest an amount which would exceed the Highest Lawful Rate, the amount which may be deemed excessive interest shall be applied to the principal and not to interest, or, if such excessive interest exceeds the unpaid principal under this Note, such excess shall be refunded to Borrower. All interest paid or agreed to be paid to Lender under this Note or any instrument executed in connection with this Note shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension of this Note) so that the interest on this Note for such full period shall not exceed interest computed at the Highest Lawful Rate. It is Lender's intention that the performance of any provision herein never result in any payments due or paid which involve exceeding the Highest Lawful Rate. The terms and provisions of this Paragraph shall control all other terms and provisions contained herein and in the other Financing Agreements.

23. Waivers; Continued Liability. It is agreed that the granting to Borrower or any other party of an extension or extensions of time for the payment of any sum or sums due under this Note or the other Financing Agreements or for the performance of any term, provision, covenant or agreement of this Note or the other Financing Agreements, or the taking or releasing of security or Collateral for the payment of this Note or the exercising or failure to exercise of any right or power under this Note or the other Financing Agreements, shall not in any way release or affect the liability of Borrower evidenced by this Note.

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24. Amendments and Modifications. This Note may not be amended or modified, nor shall any revision hereof be effective, except by an instrument in writing expressing such intention executed by Lender and directed to Borrower.

25. Choice of Law, Submission to Jurisdiction, Waiver of Venue and Consent to Service. THIS NOTE SHALL BE CONSTRUED IN ALL RESPECTS IN ACCORDANCE WITH AND GOVERNED BY THE LAWS AND DECISIONS (WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAW PRINCIPLES THEREOF) OF THE STATE OF ILLINOIS. THE BORROWER (A) HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY ILLINOIS STATE OR FEDERAL COURT SITTING IN CHICAGO, ILLINOIS OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE, AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ILLINOIS STATE OR FEDERAL COURT, AND (B) AGREES NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST THE LENDER OR THE DIRECTORS, OFFICERS, OR EMPLOYEES OF LENDER OR PROPERTY OF THE LENDER, ARISING OUT OF OR RELATING TO THIS NOTE, IN ANY COURT OTHER THAN AS HEREINABOVE SPECIFIED IN THIS SECTION. THE BORROWER HEREBY IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE IN ANY ACTION OR PROCEEDING (WHETHER BROUGHT BY THE BORROWER, THE LENDER OR OTHERWISE) IN ANY COURT HEREINABOVE SPECIFIED AS WELL AS ANY RIGHT IT MAY NOW OR HEREAFTER HAVE TO REMOVE ANY SUCH ACTION OR PROCEEDING, ONCE COMMENCED, TO ANOTHER COURT ON THE GROUNDS OF FORUM NON CONVENIENS OR OTHERWISE. THE BORROWER AGREES THAT A FINAL JUDGMENT (FOLLOWING THE FINAL RESOLUTION OF ANY APPEAL THEREFROM) IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. PERSONAL SERVICE OF ANY KIND AND ALL PROCESS IS HEREBY WAIVED BY BORROWER, AND BORROWER CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE PROPERLY MADE IF MAILED BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTAGE PREPAID, DIRECTED TO THE BORROWER AT THE ADDRESS APPEARING ON THE RECORDS OF THE LENDER IN THE MANNER PROVIDED BY APPLICABLE STATUTE, LAW, RULE OF COURT, OR OTHERWISE.

26. Jury Waiver. THE UNDERSIGNED AND LENDER (BY ITS ACCEPTANCE HEREOF) HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN OR AMONG THE UNDERSIGNED AND LENDER ARISING OUT OF OR IN ANY WAY RELATED TO THIS NOTE OR ANY OTHER FINANCING AGREEMENTS. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO PROVIDE THE FINANCING DESCRIBED HEREIN OR IN THE OTHER FINANCING AGREEMENTS.

27. Binding Effect. Wherever the term "Borrower" is used in this Note, the term shall include (unless otherwise expressly indicated) all of Borrower's successors, and assigns, as the

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case may be. This Note shall be binding upon Borrower and shall inure to the benefit of Lender and its successors and assigns.

28. Severability. Any provision of this Note which is unenforceable or contrary to applicable law, the inclusion of which would affect the validity, legality or enforcement of this Note, shall be of no effect, to the extent of such prohibition or invalidity, and in such case all the remaining terms and provisions of this Note shall be fully effective, the same as though no such invalid provision had ever been included in this Note.

29. No Novation. This Note is in substitution and replacement for, but not in payment of, that certain Amended Secured Promissory Note dated as of July 28, 2004 in the original principal amount of \$1,120,000.00 from the Borrower (the "Existing Note"). The indebtedness evidenced by the Existing Note is continuing indebtedness, and nothing herein shall be deemed to constitute a payment, settlement or novation of the Existing Note, or release or otherwise adversely affect any lien, mortgage, or security interest securing such indebtedness or any rights of the Lender against any party. All amounts outstanding under the Existing Note shall be automatically transferred to, and shall be deemed to be outstanding under this Note.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Note as of the day and year first above written.

MRC Polymers, Inc., an Illinois corporation

By Steven V. Sola
 Name: Steven V. Sola
 Title: CFO

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