

UNOFFICIAL COPY



Prepared By:
Crowley & Lamb, P.C.
350 North LaSalle Street, Suite 900
Chicago, Illinois 60654

Doc#: 1025239017 Fee: \$56.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/09/2010 11:41 AM Pg: 1 of 11

Mail to:
Beverly Bank & Trust Company
10258 S. Western Avenue
Chicago, Illinois 60643
Attn: President

CROSS-COLLATERALIZATION AND CROSS-DEFAULT AGREEMENT

This Cross-Collateralization and Cross-Default Agreement (this "Agreement") is made this 31st day of July, 2009 by and among CHICAGO TITLE LAND TRUST COMPANY, successor in interest to Old Kent State Bank, as Trustee under Trust Agreement dated October 18, 1999 and known as Trust No. 16461 ("**Chicago Trust**"), BEACON SUPPORTIVE SERVICES, an Illinois not for profit corporation ("**Beacon Supportive**"), SUBURBAN BANK & TRUST COMPANY, not personally but as Trustee on behalf of Suburban Bank & Trust Company, as Successor Trustee to Beverly Bank u/t/a dated 07/14/77 a/k/a Trust No. 8-5807 ("**Suburban Trust**"; collectively with **Chicago Trust and Beacon Supportive, the "Grantors"**); BEACON THERAPEUTIC SCHOOL, INC., an Illinois not for profit corporation ("**Borrower**"; collectively with the Grantors, the "**Loan Parties**"); and BEVERLY BANK & TRUST COMPANY ("**Bank**").

WHEREAS, Bank has heretofore made a term loan ("Term Loan I") to Borrower in the principal amount of SIX HUNDRED SIXTY THOUSAND AND NO/100THS DOLLARS (\$660,000.00), as evidenced by a Promissory Note dated July 31, 2009 in the principal amount of the Term Loan made payable by Borrower to the order of Bank (as amended or replaced from time to time, "Term Note I") and further evidenced by a certain Loan and Security Agreement (the "Loan Agreement") Borrower and Bank also dated July 31, 2009. Term Note I is secured by, among other things, (i) that certain Mortgage and Security Agreement and UCC Fixture Filing dated April 6, 2009, from Suburban Trust to Bank to be recorded with the Cook County, IL Recorder's Office ("Recorder's Office") against the real property and all improvements thereon ("Suburban Trust Property") identified and legally described on Exhibit A hereto (the "Suburban Trust Mortgage"), (ii) an Assignment of Rents and Leases dated July 31, 2009, from Suburban Trust to Bank to be recorded against the Suburban Trust Property (the "Suburban Trust Assignment of Rents"), (iii) a Collateral Assignment Under Land Trust and a Security Agreement Under Land Trust each executed by Borrower in favor of Lender with respect to the beneficial interest in Suburban Trust (together, the "Suburban Trust Beneficial Interest Security Documents") and (iv) certain other loan documents (together with Term Note I, the Loan Agreement, the Suburban Trust Mortgage, the Suburban Trust Assignment of Rent Suburban Trust Beneficial Interest Security Documents, and any other document evidencing, securing and guarantying Term Loan I, in their original form and as amended and replaced from time to time, are sometimes collectively referred to herein as the "Term Loan I Documents").

UNOFFICIAL COPY

WHEREAS, Bank is making a term loan ("Term Loan II") to Borrower in the principal amount of ONE HUNDRED SIXTY FIVE THOUSAND AND NO/100THS DOLLARS (\$165,000.00) as evidenced by a Promissory Note, dated July 31, 2009, in the principal amount of \$165,000.00 made payable by Borrower to the order of Bank (as amended and replaced from time to time, Term Note II). Term Loan II is further evidenced by the Loan Agreement. The Term Note II is secured by, among other things, (i) that certain Mortgage and Security Agreement and UCC Fixture Filing (the "Beacon Supportive Mortgage") dated July 31, 2009, from Beacon Supportive to Bank to be recorded with the Recorder's Office against the real property and all improvements thereon identified and legally described on Exhibit B hereto ("Beacon Supportive Property"), (ii) an Assignment of Rents and Leases ("Beacon Supportive Assignment of Rents") dated July 31, 2009, from Beacon Supportive to Bank to be recorded with the Recorder's Office against the Beacon Supportive Property; and (iii) certain other loan documents (together with the Term Loan II Note, the Loan Agreements, the Beacon Supportive Mortgage, the Beacon Supportive Assignment of Rents, and any other document evidencing, securing and guarantying Term Loan II, in their original form and as amended, are sometimes collectively referred to herein as the "Term Loan II Documents").

WHEREAS, Bank is making a term loan ("Term Loan III") to Borrower in the principal amount of ONE HUNDRED SIXTY FIVE THOUSAND AND NO/100THS DOLLARS (\$165,000.00), as evidenced by a Promissory Note dated July 31, 2009, in the principal amount of the Term Loan III made payable by Borrower to the order of Bank (as amended and replaced from time to time, "Term Note III) and further evidenced by the Loan Agreement. Term Note III is secured by, among other things, (i) that certain Mortgage and Security Agreement and UCC Fixture Filing dated July 31, 2009, from Chicago Trust to Bank to be recorded with the Recorder's Office (the "Chicago Trust Mortgage"), which Chicago Trust Mortgage encumbers the real property and all improvements thereon identified and legally described on Exhibit C hereto (the "Chicago Trust Property"), (ii) an Assignment of Rents and Leases ("Chicago Trust Assignment of Rents") dated July 31, 2009, from Chicago Trust to Bank to be recorded with the Recorder's Office against the Chicago Trust Property (iii) a Collateral Assignment Under Land Trust and a Security Agreement Under Land Trust each executed by Borrower in favor of Lender with respect to the beneficial interest in Chicago Trust (together the "Chicago Trust Beneficial Interest Security Documents") and (iv) certain other loan documents (together with the Term Note III, the Loan Agreement, the Chicago Trust Mortgage, the Chicago Trust Assignment of Rents Chicago Trust Beneficial Interest Security Documents and any other document evidencing, securing and guarantying the Term Loan III, in their original form and as amended and replaced from time to time, are sometimes collectively referred to herein as the "Term Loan III Loan Documents").

WHEREAS, Bank is making a revolving loan (together, the "Revolving Loan") to Borrower in the principal amount of ONE MILLION AND NO/100THS DOLLARS (\$1,000,000.00 as evidenced by a Revolving Line of Credit Note in the principal amount of \$1,000,000.00 made payable by Borrower to the order of Bank (as amended and replaced from time to time, the "Revolving Note"; collectively with Term Note I, Term Note II and Term Note III, the "Notes"). The Revolving Loan is further evidenced by a certain Credit Agreement (the "Credit Agreement"; together with the Loan Agreement, the "Loan Agreements") between Borrower and Bank also dated July 31, 2009 and the Loan Agreement. The Revolving Note is secured by, among other things, (i) a Continuing Security Agreement (the "Beacon Security Agreement") dated July 31, 2009 executed by Borrower in favor of Bank, and (iii) certain other loan documents (together with the Revolving Note, the Loan Agreements, the Beacon Security Agreement and any other document evidencing, securing and guarantying the Revolving Loan, in their original form and as amended, are sometimes collectively referred to herein as the "Revolving Loan Documents"; collectively with the Term Loan I Loan Documents, the Term Loan II Loan Documents and the Term Loan III Loan Documents, the "Loan Documents").

UNOFFICIAL COPY

WHEREAS, in order to induce the Bank to extend credit to the Borrower, Borrower and Grantors agreed to grant the Bank an expanded security interest in each of the collateral granted to the Bank as security for the Loans described above. Further, in connection with this Agreement, each Loan Party represents to the Bank that it is an affiliate of the other Loan Parties. Each Loan Party further represents to Bank that it will derive an advantage from the Bank's extension of credit to the Borrower and has agreed to execute this Agreement as an inducement to the Bank to extend the financial accommodations described above; and

WHEREAS, it is and has been the intention of the Loan Parties and Bank to cross-collateralize and cross-default the Loans and obligations of each of the Borrower and the other Loan Parties 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 Suburban Trust pursuant to the Suburban Trust Mortgage and the Suburban Trust Assignment of Rents is hereby pledged to secure all past, present and future obligations of each of Borrower, Beacon Supportive and Chicago Trust to Bank.
2. All of the collateral granted to Bank by Beacon Supportive pursuant to the Beacon Supportive Mortgage and the Beacon Supportive Assignment of Rents is hereby pledged to secure all past, present and future obligations of each of Borrower, Suburban Trust and Chicago Trust to Bank.
3. All collateral granted to Bank by Chicago Trust pursuant to the Chicago Trust Mortgage and the Chicago Trust Assignment of Rents is hereby pledged to secure all past, present and future obligations of each of Borrower, Beacon Supportive and Suburban Trust to Bank.
4. All of the collateral granted to Bank by Borrower pursuant to the Suburban Trust Beneficial Interest Security Documents, Chicago Trust Beneficial Interest Security Documents and the Beacon Security Agreement is hereby pledged to secure all past, present and future obligations of each of Borrower, Beacon Supportive, Suburban Trust and Chicago Trust to Bank.
5. All of the other collateral granted to Bank by Suburban Trust pursuant to the various Loan Documents described above (and any amendments and modification thereto) are hereby pledged to secure all past, present and future obligations of each of Borrower, Beacon Supportive and Chicago Trust to the Bank.
6. All of the other collateral granted to Bank by Beacon Supportive pursuant to the various Loan Documents described above (and any amendments and modifications thereto) is hereby pledged to secure all past, present and future obligations of each of Borrower, Suburban Trust and Chicago Trust to the Bank.
7. All of the other collateral granted to Bank by Chicago Trust pursuant to the various Loan Documents (and any amendments and modifications thereto) are hereby pledged to secure all past, present and future obligations of each of Borrower, Suburban Trust and Beacon Supportive to the Bank.

UNOFFICIAL COPY

8. All of the other collateral granted to Bank by Borrower pursuant to the various Loan Documents described above (and any amendments and modifications thereto) is hereby pledged to secure all past, present and future obligations of each of Beacon Supportive, Suburban Trust and Chicago Trust to the Bank.

9. Any default under the past, present and future obligations of Suburban Trust owed to Bank, including an Event of Default under the Term Loan I Loan Documents, shall constitute an Event of Default under all past, present and future obligations of each of Borrower, Beacon Supportive and Chicago Trust owed to Bank, including under the various Loan Documents; any default under the past, present and future obligations of Beacon Supportive owed to Bank, including an Event of Default under the Term Loan II Documents, shall constitute an Event of Default under all past, present and future obligations of each of Borrower, Suburban Trust and Chicago Trust owed to Bank, including under the various Loan Documents; any default under the past, present and future obligations of Chicago Trust owed to Bank, including an Event of Default under the Term Loan III Documents, shall constitute an Event of Default under all past, present and future obligations of each of Borrower, Suburban Trust and Beacon Supportive owed to Bank, including under the various Loan Documents; and any default under the past, present and future obligations of Borrower owed to Bank, including an Event of Default under the Revolving Loan Documents, shall constitute an Event of Default under all past, present and future obligations of each of Borrower, Chicago Trust, Suburban Trust and Beacon Supportive owed to Bank, including under the various Loan Documents.

10. The Loan Parties agree that all provisions, stipulations, powers and covenants in the Notes and other agreements referenced above shall remain in full force and effect except as modified hereby.

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

12. This Agreement shall inure to the benefit of the Bank's successors and assigns, and shall be binding upon the Loan Parties' successors and assigns.

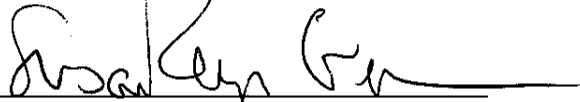
[signature page(s) attached]

UNOFFICIAL COPY

IN WITNESS WHEREOF, the parties hereto caused this Agreement to be duly executed as of the date and year first written above.

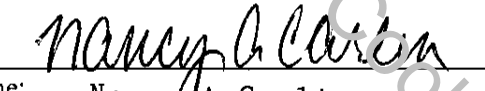
BORROWER:

BEACON THERAPEUTIC SCHOOL, INC., an Illinois not for profit corporation

By: 
Name: Susan Reyna-Guerrero
Title: CEO/President

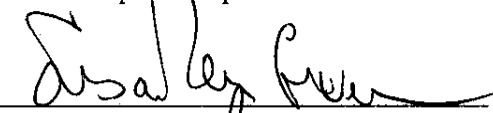
GRANTORS:

CHICAGO TITLE LAND TRUST COMPANY, not Personally but as successor in interest to Old Kent State Bank, as Trustee under Trust Agreement dated October 18, 1999 and known as Trust No. 16461

By: 
Name: Nancy A Carlin
Title: Asst Vice President

This instrument is executed by the undersigned Land Trustee not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

BEACON SUPPORTIVE SERVICES., an Illinois not for profit corporation

By: 
Name: Susan Reyna-Guerrero
Title: President

SUBURBAN BANK & TRUST COMPANY, not personally but as Trustee on behalf of Suburban Bank & Trust Company, as Successor Trustee to Beverly Bank u/t/a dated 07/14/77 a/k/a Trust No. 8-5807

By: _____
Name:
Title:

BANK:

BEVERLY BANK & TRUST COMPANY

By: 
Its: VICE PRESIDENT

UNOFFICIAL COPY

IN WITNESS WHEREOF, the parties hereto caused this Agreement to be duly executed as of the date and year first written above.

BORROWER:

BEACON THERAPEUTIC SCHOOL, INC., an Illinois not for profit corporation

By: _____
Name: Susan Reyna-Guerrero
Title: CEO/President

GRANTORS:

CHICAGO TITLE LAND TRUST COMPANY, not Personally but as successor in interest to Old Kent State Bank, as Trustee under Trust Agreement dated October 18, 1999 and known as Trust No. 16461

By: _____
Name: _____
Title: _____

BEACON SUPPORTIVE SERVICES., an Illinois not for profit corporation

By: _____
Name: Susan Reyna-Guerrero
Title: President

SUBURBAN BANK & TRUST COMPANY, not personally but as Trustee on behalf of Suburban Bank & Trust Company, as Successor Trustee to Beverly Bank u/t/a dated 07/14/77 a/k/a Trust No. 8-5807

By: Rosemary Mazur
Name: **Rosemary Mazur**
Title: **VICE PRESIDENT**

BANK:

BEVERLY BANK & TRUST COMPANY

By: _____
Its: _____

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding that each and all of the warranties, indemnities, representations, covenants, understandings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them made and intended not at personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against Suburban Bank & Trust Company or any of the beneficiaries under said Trust Agreement on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the said Trustee in this instrument contained either expressed or implied, all such personal liability if any, being expressly waived and released.

UNOFFICIAL COPY

EXHIBIT A

Legal Description

LOT 10 (EXCEPT THE NORTH 25 FEET THEREOF) AND ALL OF LOTS 11, 12, AND 13 IN BLOCK 4 IN WILLIAM BAKER'S SUBDIVISION OF LOTS 21 TO 25, BOTH INCLUSIVE IN BLOCK 1 AND LOTS 10, 11 AND 12 IN BLOCK 2 AND ALL OF BLOCK 3 IN CHARLES HOPKINSON'S SUBDIVISION OF THAT PART OF THE NORTHEAST 1/4 OF SECTION 18, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING WEST OF WASHINGTON HEIGHTS RAILROAD WITH THE EXCEPTION OF THE NORTHEAST CORNER THEREOF MARKED "A" ALSO THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 18, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 25-18-129-009

COMMONLY KNOWN AS: 0650 S. LONGWOOD DRIVE, CHICAGO, IL 60643

UNOFFICIAL COPY

EXHIBIT B

Legal Description

PARCEL 1:

LOT 14 (EXCEPT THE EAST 16.5 FEET THEREOF) AND LOT 15 (EXCEPT THE WEST 31.70 FEET THEREOF) IN BLOCK 5 IN BARNARD'S SUBDIVISION OF THAT PART OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 LYING WEST OF CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD IN SECTION 7, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 25-07-412-055-0000

COMMONLY KNOWN AS: 1912 W. 103rd STREET, CHICAGO, ILLINOIS 60643

PARCEL 2:

LOT 12 IN THE EASTERLY 15 FEET 8-5/8 INCHES OF LOT 13 IN BLOCK 5 IN BARNARD'S SUBDIVISION OF THAT PART OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 LYING WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD IN SECTION 7, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 25-07-412-040; 25-07-412-047

COMMONLY KNOWN AS: 1900-1904 W. 103rd STREET, CHICAGO, ILLINOIS

UNOFFICIAL COPY

EXHIBIT C

Legal Description

THE WESTERLY 18-1/2 FEET OF LOT 13 AND THE EAST 16-1/2 FEET OF LOT 14 IN BLOCK 5 IN BARNARDS SUBDIVISION OF THAT PART OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 LYING WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD, IN SECTION 7, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 25-07-412-046-0000

COMMONLY KNOWN AS: 1908 W. 103rd STREET, CHICAGO, ILLINOIS

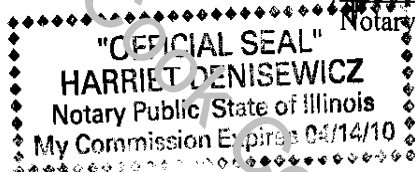
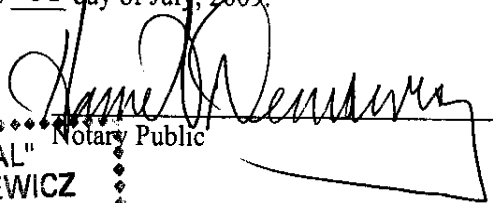
Property of Cook County Clerk's Office

UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Nancy A Carlin Asst, Vice President, ~~and~~ Assistant Secretary, of said CHICAGO TITLE LAND TRUST COMPANY, successor in interest to Old Kent State Bank, personally known to me to be the same persons whose name are subscribed to the foregoing instrument as such Asst Vice President ~~and~~ Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said CHICAGO TITLE LAND TRUST COMPANY, successor in interest to Old Kent State Bank, as Trustee for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31 day of July, 2009.

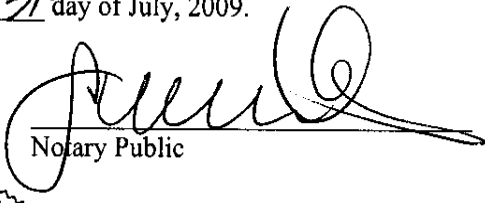


My Commission Expires _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Dawn D Gibbs, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Susan Reyna-Guerrero, CEO/ President of BEACON THERAPEUTIC SCHOOL, INC., an Illinois corporation, personally 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 she signed and delivered the said instrument as her own free and voluntary act, and as the free and voluntary act of BEACON THERAPEUTIC SCHOOL, INC., an Illinois corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31 day of July, 2009.



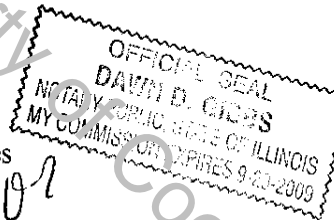
My Commission Expires 9/29/09

UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, DAVID D. GIBBS, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Susan Reyna-Guerrero, CEO/ President of BEACON SUPPORTIVE SERVICES., an Illinois not for profit corporation, personally 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 she signed and delivered the said instrument as her own free and voluntary act, and as the free and voluntary act of BEACON SUPPORTIVE SERVICES., an Illinois not for profit corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31st day of July, 2009.



[Signature]
Notary Public

My Commission Expires
9/23/09

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Anthony V. Stevens Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Rosemary Mazur **VICE PRESIDENT**, Vice President, and [Signature] Assistant Secretary, of said SUBURBAN BANK & TRUST COMPANY, personally known to me to be the same persons whose name are subscribed to the foregoing instrument as such VICE President and Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said SUBURBAN BANK & TRUST COMPANY, as Trustee for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31st day of July, 2009.

Anthony V. Stevens
Notary Public

My Commission Expires
3/23/2010

