



0317645134

Eugene "Gene" Moore Fee: \$50.50
Cook County Recorder of Deeds
Date: 06/25/2003 02:43 PM Pg: 1 of 3

SUBORDINATION AND REAFFIRMATION A

This Subordination and Reaffirmation Agreement ("Agreement") is made and entered into as of the 24th day of May 2003 by and among LaSalle Business Credit, Inc., a Delaware corporation ("Second Mortgagee"), Davis G. Anderson ("Anderson" or the "Mortgagor") and Mit Lending, ISAOA ("First Mortgagee").

174922A Law Title WITNESSETH

WHEREAS, the Second Mortgagee is the Lender under that certain Real Property Second Mortgage dated as of January 11, 2001, recorded on January 24, 2001 in the Office of the Cook County Recorder of Deeds as Document No. 10063606 (the "Second Mortgage") made by The Chicago Trust Company, not personally, but solely as Trustee under Trust Agreement dated May 26, 1998 and known as Trust No. 1105909 (the "Trust") in favor of the Second Mortgagee. The Second Mortgage encumbers certain improved real property in Cook County, Illinois, legally described on Exhibit A attached hereto and made a part hereof (the "Property"). The lien of the Second Mortgage conveyed under the Second Mortgage is second in priority only to that certain Mortgage dated June 1, 1998 (the "Original First Mortgage") and recorded June 4, 1998 as Document No. 98-470454, made by Mortgagor in favor of Bank of America National Trust & Savings Association;

WHEREAS, the Mortgagor desires to (i) transfer title to the Property from the Trust to Anderson, and (ii) refinance the Original First Mortgage by executing and delivering a Mortgage (the "New First Mortgage") in favor of First Mortgagee in the principal amount of \$287,500.00;

WHEREAS, Second Mortgagee has agreed that its Second Mortgage, upon release of the Original First Mortgage and recording of the New First Mortgage, will be subordinate and subject only to the New First Mortgage

NOW, THEREFORE, in consideration for the Guaranty of that certain Loan and Security Agreement dated as of January 11, 2001 among Second Mortgagee and CXM, Inc., an Illinois corporation and Precision Metal Components, LLC, a Delaware limited liability company (collectively, the "Borrower"), which is secured by the Second Mortgage and other good and valuable consideration, receipt whereof is hereby acknowledged, Second Mortgagee, First Mortgagee and Mortgagor hereby agree as follows:

1. Notwithstanding the transfer of title to the Property from the Trust to Anderson, the Mortgagor hereby reaffirms the validity and enforceability of the Second Mortgage and the lien created thereby encumbering the Property and securing such Guaranty.

2. The lien of the Second Mortgage shall be, from and after the date hereof and upon recording of the New First Mortgage in the Cook County Office of the Recorder of Deeds, subordinate only to the lien of the New First Mortgage.

3. The Second Mortgagee hereby agrees that any and all of its security interests, liens and encumbrances evidenced by the Second Mortgage shall be and become subordinate only to the security interests, liens and encumbrances evidenced by the New First Mortgage upon

LAW TITLE

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recording thereof in the same manner and to the same extent as the Second Mortgage was subordinate to the Original First Mortgage.

4. Second Mortgagee agrees that Second Mortgagee has not assigned or transferred the Second Mortgage or its interest in the Property or any other collateral encumbered by the Second Mortgage, or any interest therein, to any person, firm, association, corporation or party, and Second Mortgagee, the Borrower and Anderson hereby agree that all agreements, instruments and documents evidencing the debt secured by and the lien of the Second Mortgage remain in full force and effect on the date hereof. Any such assignment by Second Mortgagee, if or when made, shall be made expressly subject to the rights of the First Mortgagee with respect to the Property.

5. First Mortgagee agrees not to accelerate the time of payment of the indebtedness secured by the New First Mortgage, unless otherwise permitted by the New First Mortgage or any other document or instrument evidencing such indebtedness, or increase the rate of interest payable thereon or any part thereof (other than as permitted in the New First Mortgage or related documents and/or the indebtedness secured thereby).

6. This Agreement shall continue in full force and effect until either of the Second Mortgagee or the First Mortgagee shall deliver written notice to the other party hereto of the payment in full of the indebtedness secured by the New First Mortgage or the Second Mortgage, as the case may be.

7. This Agreement constitutes the entire agreement among the parties relating to the subject matter hereof and is the final and complete expression of their intent. No prior or contemporaneous negotiations, promises, agreements, covenants, or representations of any kind or nature, whether made orally or in writing, have been made by the parties, or any of them, in negotiations leading to this Agreement or relating to the subject matter hereof, which are not expressly contained herein, or which have not become merged and finally integrated herein; it being the intention of the parties hereto that in the event of any subsequent litigation, controversy, or dispute concerning the terms and provisions of this Agreement no party shall be permitted to offer or introduce oral or extrinsic evidence concerning the terms and conditions hereof that are not included or referred to herein and not reflected in writing. This Agreement can only be changed, modified or discharged if consented to in writing executed by the parties hereto. No conditions exist as to the legal effectiveness of this Agreement.

8. All notices, payments, requests, reports, information and demands which any party may desire or may be required to give or make to any other party shall be given to or made upon such party in accordance with the respective provisions of the New First Mortgage and the Second Mortgage.

9. This Agreement shall be binding upon the successors and assigns of the First Mortgagee, the Second Mortgagee, the Borrower and the Mortgagor.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed as of the day and year first above written.

SECOND MORTGAGEE:

LASALLE BUSINESS CREDIT, INC.

By: [Signature]
Name: Richard A. Pecu
Title: Vice President

NEW FIRST MORTGAGEE:

MIT LENDING, ISAOA

By: _____
Name: _____
Title: _____

BORROWER:

CXM, INC., an Illinois corporation

By: [Signature]
Name: Davis G. Anderson
Title: President

PRECISION METALS COMPONENTS, L.L.C.,
a Delaware limited liability company

By: [Signature]
Name: Davis G. Anderson
Title: President

ANDERSON:

[Signature]
DAVIS G. ANDERSON

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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

UNIT 310 IN THE WHITNEY CONDOMINIUM AS DELINEATED ON A SURVEY OF A PARCEL OF LAND COMPRISED OF LOTS 5 AND 6 AND THE SOUTH 6.96 FEET OF LOT 7 IN SIMON'S SUBDIVISION OF LOT 6 IN BRONSON'S ADDITION TO CHICAGO; LOTS 1, 2, AND 3 IN THE SUBDIVISION OF LOT 5 TOGETHER WITH SUB LOT 1 OF LOT 4 IN BRONSON'S ADDITION TO CHICAGO; AND LOTS 1 TO 5, BOTH INCLUSIVE, IN ALICE P. HOLBROOK'S SUBDIVISION OF LOT 4 IN THE SUBDIVISION OF LOT 5 IN BRONSON'S ADDITION TO CHICAGO; ALL IN THE NORTHEAST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, WHICH SURVEY (THE "PLAT") IS ATTACHED AS EXHIBIT "D" TO THE DECLARATION OF CONDOMINIUM OWNERSHIP FOR THE WHITNEY CONDOMINIUM RECORDED IN COOK COUNTY, ILLINOIS ON DECEMBER 31, 1996 AS DOCUMENT NUMBER 96982936, AND AMENDED BY THE FIRST AMENDMENT RECORDED OCTOBER 1, 1997 AS DOCUMENT NUMBER 97730677 AND AMENDED BY THE SECOND AMENDMENT RECORDED MARCH 19, 1998 AS DOCUMENT NUMBER 98216407 (AS SO AMENDED, THE "DECLARATION"), TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, AND

PARCEL 2

THE LIMITED COMMON ELEMENTS COMPRISED OF PARKING SPACE NUMBERED 2 AS DELINEATED ON THE PLAT AND AS DESCRIBED IN SUBPARAGRAPH 8 (A) OF THE DECLARATION.