



Doc#: 0816401099 Fee: \$50.00
Eugene "Gene" Moore RHSP Fee:\$10.00
Cook County Recorder of Deeds
Date: 08/12/2008 11:21 AM Pg: 1 of 8

This instrument was prepared by
and, after recording, return to:
William E. Russell
311 South Wacker Drive, Suite 3000
Chicago, Illinois 60606

Address:
3934-36 N. Mozart
Chicago, IL ~~60616~~ 60618

207834 [Signature]

SUBORDINATION OF MORTGAGE AGREEMENT

THIS SUBORDINATION OF MORTGAGE AGREEMENT ("Agreement") is made as of June 4, 2008, by CINTERRA CAPITAL PARTNERS FUND I, LLC., a Delaware limited liability company ("Cinterra"), JASON WEI DING ("Wei Ding") and SEAL ROCK PARTNERS, LLC ("Seal Rock").

RECITALS

A. Wei Ding is the owner of the real estate legally described in Exhibit A attached hereto and commonly known as the 3934-36 N. Mozart, Chicago, Illinois (the "Property").

B. WHEREAS, Cinterra made a loan to Wei Ding on August 22, 2007 in the amount of ONE HUNDRED THIRTY SIX THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$136,500.00) (the "Cinterra Loan") evidenced by a certain note of even date therewith made by Wei Ding to Cinterra (the "Cinterra Note") and secured by a mortgage of even date therewith made by Wei Ding in favor of Cinterra, which mortgage encumbers the Property (the "Cinterra Mortgage").

C. WHEREAS, Seal Rock is making a loan to Wei Ding in the amount of TWO HUNDRED THIRTY EIGHT THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$238,500.00) (the "Seal Rock Loan") and such loan will be evidenced by a certain note of even date herewith made by Wei Ding to Seal Rock (the "Seal Rock Note") and secured by a mortgage of even date herewith made by Wei Ding in favor of Seal Rock, which mortgage will encumber the Property (the "Seal Rock Mortgage").

D. To induce Seal Rock to make the Seal Rock Loan to Wei Ding, Cinterra has agreed to subordinate the Cinterra Loan to the Seal Rock Loan on the terms and conditions set forth herein.

M.G.R. TITLE

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NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seal Rock and Cinterra hereby agree as follows:

1. Definitions:

“Cinterra Loan Documents” means the Cinterra Note and the Cinterra Mortgage, as any of the foregoing may be modified, amended, extended, supplemented, restated or replaced from time to time.

“Seal Rock Loan Documents” means the Seal Rock Note and the Seal Rock Mortgage, as any of the foregoing may be modified, amended, extended, supplemented, restated or replaced from time to time.

2. Approval of the Seal Rock Loan Documents. Cinterra hereby acknowledges that (i) it has received and reviewed and, subject to the terms and conditions of this Agreement, hereby consents to and approves of the making of the Seal Rock Loan and, subject to the terms and provisions of this Agreement, all of the terms and provisions of the Seal Rock Loan Documents, (ii) the execution, delivery and performance of the Seal Rock Loan Documents will not constitute a default or an event which, with the giving of notice or the lapse of time, or both, would constitute a default under the Cinterra Loan Documents, (iii) Seal Rock is under no obligation or duty to, nor has Seal Rock represented that it will, see to the application of the proceeds of the Seal Rock Loan by Wei Ding or any other person to whom Seal Rock disburses such proceeds, and (iv) any application or use of the proceeds of the Seal Rock Loan for purposes other than those provided in the Seal Rock Loan Documents shall not affect, impair or defeat the terms and provisions of this Agreement or the Seal Rock Loan Documents.

3. Representations and Warranties. Cinterra hereby represents and warrants as follows:

(a) To Cinterra’s knowledge, there currently exists no default or event which, with the giving of notice or the lapse of time, or both, would constitute a default under any of the Cinterra Loan Documents.

(b) Cinterra is duly organized and is validly existing under the laws of the jurisdiction under which it was organized with full power to execute, deliver, and perform this Agreement and consummate the transactions contemplated hereby.

(c) All actions necessary to authorize the execution, delivery, and performance of this Agreement on behalf of Cinterra have been duly taken, and all such actions continue in full force and effect as of the date hereof.

(d) Cinterra has duly executed and delivered this Agreement and this Agreement constitutes the legal, valid, and binding agreement of Cinterra enforceable against Cinterra in accordance with its terms subject to (x) applicable bankruptcy, reorganization, insolvency and moratorium laws, and (y) general principles of equity which may apply regardless of whether a proceeding is brought in law or in equity

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4. Transfer of the Cinterra Loan. Cinterra shall not transfer any of its beneficial interest in the Cinterra Loan unless Seal Rock consents to such transfer (which consent shall not be unreasonably withheld, delayed or conditioned).

5. Foreclosure of Property. Cinterra shall not exercise any rights it may have under the Cinterra Mortgage and the other Cinterra Loan Documents or applicable law with respect to a foreclosure or other realization upon the Property without the consent of Seal Rock (which consent shall not be unreasonably withheld, delayed or conditioned).

6. Subordination of Cinterra Loan and Cinterra Loan Documents.

(a) Cinterra hereby subordinates and makes junior the Cinterra Loan, the Cinterra Loan Documents and the liens and security interests created thereby, and all rights, remedies, terms and covenants contained therein to (i) the Seal Rock Loan, (ii) the liens and security interests created by the Seal Rock Loan Documents and (iii) all of the terms, covenants, conditions, rights and remedies contained in the Seal Rock Loan Documents, and no amendments or modifications to the Seal Rock Loan Documents or waivers of any provisions thereof shall affect the subordination thereof as set forth in this Section 6(a).

(b) Every document and instrument included within the Cinterra Loan Documents shall be subject and subordinate to each and every document and instrument included within the Seal Rock Loan Documents and all extensions, modifications, consolidations, supplements, amendments, replacements and restatements of and/or to the Seal Rock Loan Documents.

7. Payment Subordination. All of Cinterra's rights to payment of the Cinterra Loan and the obligations evidenced by the Cinterra Loan Documents are hereby subordinated to all of Seal Rock's rights to payment by Wei Ding of the Seal Rock Loan and the obligations secured by the Seal Rock Loan Documents, and Cinterra shall not accept or receive payments (including, without limitation, whether in cash or other property and whether received directly, indirectly or by set-off, counterclaim or otherwise) from Wei Ding and/or from the Property prior to the date that all obligations of Wei Ding to Seal Rock under the Seal Rock Loan Documents are paid.

8. Notices. All notices or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person with receipt acknowledged by the recipient thereof, (ii) one (1) business day (hereinafter defined) after having been deposited for overnight delivery with any reputable overnight courier service, or (iii) three (3) business days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the receiving party at its address set forth above, and:

if to Cinterra:

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if to Wei Ding:

JB Milwaukee Avenue LLC
1925 N. Fairfield
Chicago, IL 60647
Attention: Jason Wei Din

if to Seal Rock:

Seal Rock Partners, LLC
1901 N. Dayton Street
Chicago, Illinois 60614
Attention: Alexander Coxe
Telephone:
Facsimile:

With a copy to:

Mr. William E. Russell, Esq.
Freeborn & Peters LLP
311 S. Wacker Drive
Suite 3000
Chicago, IL 60606
Telephone Number: 312-360-6373
Facsimile Number: 312-360-6575

or addressed as such party may from time to time designate by written notice to the other parties. For purposes of this paragraph, the term "Business Day" shall mean any day other than Saturday, Sunday or any other day on which banks are required or authorized to close in Chicago, Illinois. Either party by notice to the other may designate additional or different addresses for subsequent notices or communications.

9. Counterparts. This Agreement may be signed in multiple counterparts, each of which constitute an original and, taken together, shall constitute a single agreement.

10. Further Assurances. So long as all or any portion of the Seal Rock Loan and the Cinterra Loan remains unpaid and the Seal Rock Mortgage encumbers the Property, Cinterra and Seal Rock will each execute, acknowledge and deliver in recordable form and upon demand of the other, any other instruments or agreements reasonably required in order to carry out the provisions of this Agreement or to effectuate the intent and purposes hereof.

11. No Waiver; Remedies. No failure on the part of Seal Rock to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

12. No Joint Venture. Nothing provided herein is intended to create a joint venture, partnership, tenancy-in-common or joint tenancy relationship between or among any of the parties hereto.

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13. No Third Party Beneficiaries; No Modification. The parties hereto do not intend the benefits of this Agreement to inure to Wei Ding or any other Person, except the successors and permitted assigns of the parties hereto. This Agreement may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of any change is sought.

14. Captions. The captions in this Agreement are inserted only as a matter of convenience and for reference, and are not and shall not be deemed to be a part hereof.

15. No Release. Nothing herein contained shall operate to release Wei Ding from (a) its obligation to keep and perform all of the terms, conditions, obligations, covenants and agreements contained in the Seal Rock Loan Documents or (b) any liability of Wei Ding under the Seal Rock Loan Documents or to release Wei Ding from (x) its obligation to keep and perform all of the terms, conditions, obligations, covenants and agreements contained in the Cinterra Loan Documents or (y) any liability of Wei Ding under the Cinterra Loan Documents.

16. Severability. In the event that any provision of this Agreement or the application hereof to any party hereto shall, to any extent, be invalid or unenforceable under any applicable statute, regulation, or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform to such statute, regulation or rule of law, and the remainder of this Agreement and the application of any such invalid or unenforceable provisions to parties, jurisdictions or circumstances other than to whom or to which it is held invalid or unenforceable, shall not be affected thereby nor shall same affect the validity or enforceability of any other provision of this Agreement.

17. Injunction. Seal Rock and Cinterra each acknowledge (and waive any defense based on a claim) that monetary damages are not an adequate remedy to redress a breach by the other hereunder and that a breach by either Seal Rock or Cinterra hereunder would cause irreparable harm to the other. Accordingly, Seal Rock and Cinterra agree that upon a breach of this Agreement by the other, the remedies of injunction, declaratory judgment and specific performance shall be available to such non-breaching party.

18. Mutual Disclaimer.

(a) Each of Seal Rock and Cinterra are sophisticated lenders and/or investors in real estate and their respective decision to enter into the Seal Rock Loan and the Cinterra Loan is based upon their own independent expert evaluation of the terms, covenants, conditions and provisions of, respectively, the Seal Rock Loan Documents and the Cinterra Loan Documents and such other matters, materials and market conditions and criteria which each of Seal Rock and Cinterra deem relevant. Each of Seal Rock and Cinterra has not relied in entering into this Agreement, and respectively, the Seal Rock Loan, the Seal Rock Loan Documents, the Cinterra Loan or the Cinterra Loan Documents, upon any oral or written information, representation, warranty or covenant from the other, or any of the other's representatives, employees, affiliates or agents other than the representations and warranties of the other contained herein. Each of Seal Rock and Cinterra further acknowledges that no employee, agent or representative of the other has been authorized to make, and that each of Seal Rock and Cinterra have not relied upon, any statements, representations, warranties or covenants other than those specifically contained

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in this Agreement. Without limiting the foregoing, each of Seal Rock and Cinterra acknowledges that the other has made no representations or warranties as to the Seal Rock Loan or the Cinterra Loan or the Property (including, without limitation, the cash flow of the Property, the value, marketability, condition or future performance thereof, the existence, status, adequacy or sufficiency of the leases, the tenancies or occupancies of the Property, or the sufficiency of the cash flow of the Property, to pay all amounts which may become due from time to time pursuant to the Seal Rock Loan or the Cinterra Loan). It is hereby acknowledged by all parties to this Agreement that Freeborn & Peters LLP represents Seal Rock in connection with this Agreement and does not represent Cinterra or Wei Ding.

(b) Each of Seal Rock and Cinterra acknowledges that the Seal Rock Loan and the Cinterra Loan Documents are distinct, separate transactions and loans, separate and apart from each other.

19. Venue. SEAL ROCK AND CINTERRA AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH, OUT OF, RELATED TO OR FROM THIS AGREEMENT SHALL BE LITIGATED ONLY IN COURTS HAVING A SITUS WITHIN THE COUNTY OF COOK IN THE STATE OF ILLINOIS. SEAL ROCK AND CINTERRA EACH HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST IT BY SEAL ROCK OR CINTERRA ON THIS AGREEMENT IN ACCORDANCE WITH THIS PARAGRAPH.

20. Waiver of Jury Trial. SEAL ROCK AND CINTERRA, EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY CONTROVERSY OR CLAIM, WHETHER ARISING IN TORT OR CONTRACT OR BY STATUTE OR LAW, BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, THE VALIDITY, INTERPRETATION, COLLECTION OR ENFORCEMENT HEREOF), OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY IN CONNECTION HEREWITH. EACH PARTY ACKNOWLEDGES AND AGREES THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON TO INCLUDE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. EACH PARTY HERETO IS HEREBY AUTHORIZED TO FILE A COPY OF THIS AGREEMENT IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL.

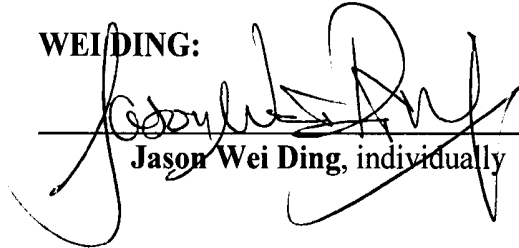
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[Signature Page Attached to Subordination of Mortgage Agreement]

IN WITNESS WHEREOF, the undersigned have executed this instrument on the day and year first above written.

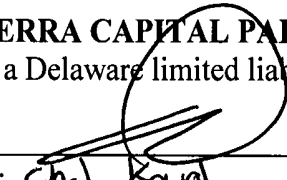
WEIDING:



 Jason Wei Ding, individually


CINTERRA:

CINTERRA CAPITAL PARTNERS FUND I, LLC., a Delaware limited liability company

By: 
 Name: Chad Kowal
 Its: Manager

SEAL ROCK:

SEAL ROCK PARTNERS, LLC

By: 
 Name: Alexander B Cox
 Its: Manager's Office

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EXHIBIT A

Legal Description

Lots 13 and 14 in the Receiver's Subdivision of Lot 2 in the County Clerk's Division of the East ½ of the Northwest ¼ of Section 24, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois

13-24-106-024-0000

13-24-106-025-0000

Property of Cook County Clerk's Office