

This Document Prepared By And
When Recorded Return To:

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Doc#: 0906218093 Fee: \$58.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 03/03/2009 02:49 PM Pg: 1 of 12

For Recorder's Use Only

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is executed as of the 27th day of February, 2009, by and among THE RAVISLOE COUNTRY CLUB, an Illinois not-for-profit corporation ("**Assignor**"); FA/ISLOE, L.L.C., an Illinois limited liability company ("**Assignee**"); CLAUDE L. GENDREAU ("**Guarantor**"); and HERITAGE COMMUNITY BANK, an Illinois banking corporation ("**Lender**").

WITNESSETH:

WHEREAS, on or about July 17, 2007, Lender made a commercial mortgage loan (the "**Loan**") to Assignor in the total amount of TWO MILLION FIVE HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS (\$2,580,000.00) to refinance the acquisition and development, and provide a working line of credit of and for, the parcel of real estate commonly known as 18231 South Park Avenue, Homewood, Illinois 60430 (the "**Property**"), legally described on Exhibit "A" attached hereto ("**Land**"); and

WHEREAS, the Loan is evidenced and secured by the following instruments, each dated as of July 17, 2007, unless otherwise noted (collectively referred to herein as the "**Loan Instruments**"):

1. Promissory Note executed by Assignor and payable to the order of Lender in the amount of TWO MILLION ONE HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS (\$2,180,000.00) (the "**Promissory Note**");
2. Line of Credit Note executed by Assignor and payable to the order of Lender in the amount of FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$400,000.00) (the "**L/C Note**");
3. Mortgage, Security Agreement and Financing Statement executed by Assignor to and for the benefit of Lender covering the Land, recorded in the Cook County Recorder's Office, Cook County, Illinois, on July 27, 2007, as Document No. 0720808170 (the "**Mortgage**");
4. Assignment of Rents and Leases executed by Assignor to and for the benefit of Lender, recorded in the Cook County Recorder's Office, Cook County, Illinois on July 27, 2007, as Document No. 0720808171 (the "**Assignment of Rents**");

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5. UCC Financing Statement granting Lender a security interest in certain described chattels on the Land, recorded in the Cook County Recorder's Office, Cook County, Illinois, on July 27, 2007, as Document No. 0720808172;
6. Environmental Indemnity Agreement executed by Assignor to and for the benefit of Lender; and
7. Such other documents and instruments executed by Assignor to further evidence and secure the Loan.

WHEREAS, Assignor has agreed to sell and convey legal title to the Property to Assignee and assign all of its rights, duties and obligations as Assignor under the Loan Instruments to Assignee; and

WHEREAS, Assignee has agreed to assume the liabilities and obligations of Assignor under the terms of the Loan Instruments as provided for herein; and

WHEREAS, Guarantor has agreed to assume the liabilities and obligations of a guarantor under the terms of the Loan Instruments pursuant to an assignment and assumption of the Loan Instruments by Assignee, as evidenced by the execution of the Continuing Guaranty Agreement of even date herewith as defined hereinafter; and

WHEREAS, as of the date hereof, there is a principal balance due and owing on the Loan in the amount of TWO MILLION FORTY-EIGHT THOUSAND ONE HUNDRED EIGHTY-TWO AND 51/100 DOLLARS) (\$2,048,182.51); and

WHEREAS, Lender has agreed to consent to an assignment by Assignor and an assumption by Assignee of the rights, duties and obligations as Borrower under the Loan Instruments, subject to the terms and conditions provided herein; and

WHEREAS, Lender, Assignor, Guarantor and Assignee have agreed to modify the Loan Instruments as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

1. **Modification of Loan Instruments.** Subject to the terms and provisions contained herein, the Loan Instruments, are hereby modified and amended, effective as of the date hereof, to provide that the term "Borrower" shall mean RAVISLOE, L.L.C., an Illinois limited liability company.

2. **Assignor's Representations and Warranties.** Assignor represents and warrants to Lender as of the date of this Agreement that:

- (a) There are no defenses, offsets or counterclaims to the Loan;

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- (b) There are no defenses, offsets or counterclaims to any of the Loan Instruments;
- (c) There are no defaults by Assignor under any of the provisions of the Loan Instruments;
- (d) All provisions of the Loan Instruments are in full force and effect; and
- (e) The parties executing this Agreement on behalf of Assignor have the authority to enter into this Agreement and this Agreement is valid and binding upon Assignor.

Assignor understands and intends that Lender will rely on the representations and warranties contained herein.

3. **Assignee's Representations and Warranties.** Assignee represents and warrants to Lender as of the date of this Agreement that:

- (a) Assignee has no knowledge that any of the representations made by Assignor in Paragraph 1 above are not true and correct;
- (b) To the best of Assignee's knowledge, all of the representations and warranties contained in the Loan Instruments are true and correct;
- (c) The party executing this Agreement on behalf of Assignee has the authority to enter into this Agreement and this Agreement is valid and binding on Assignee; and
- (d) Assignee has no actual knowledge of any defenses, offsets or counterclaims to any of the Loan Instruments

Assignee understands and intends that Lender will rely on the representations and warranties contained herein.

4. **Execution of Replacement Note by Assignee.** Simultaneous with the execution and delivery of this Agreement, Assignee shall execute and deliver to Lender a new Promissory Note of even date herewith, payable to Lender in the principal amount of ONE MILLION TWO HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,200,000.00) (the "**Replacement Promissory Note**"), in form attached hereto as Exhibit B.

5. **Execution of Guaranty by Guarantor.** Simultaneous with the execution and delivery of this Agreement, Guarantor shall execute and deliver to Lender his Continuing Guaranty Agreement of even date herewith (the "**Guaranty**"), in form attached hereto as Exhibit C.

6. **Assumption by Assignee.** Assignee hereby assumes all liabilities and obligations of Assignor under the Loan Instruments. Notwithstanding anything contained herein or in the Loan Instruments to the contrary, in no event shall the obligations of Assignee exceed the sum of ONE MILLION TWO HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,200,000.00), plus any interest, fees and loan charges which may accrue and become due under said indebtedness pursuant to the terms of the Loan Instruments.

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7. **Release of Assignor.** Upon the assumption by Assignee of all liabilities and obligations of Assignor under the Loan Instruments and as evidenced by Assignee's execution of this Agreement, Assignor shall be released of all of its liabilities and obligations undertaken by it under the Loan Instruments.

8. **Reaffirmation of Loan Instruments.** This Agreement embodies and constitutes the entire understanding among the parties hereto with respect to the transactions contemplated herein, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument. Except as expressly modified hereby, the Loan Instruments are and shall remain in full force and effect. Assignee hereby ratifies and approves the covenants and agreements made by Assignor to Lender contained in the Loan Instruments and hereby agrees that, except to the extent modified hereby, all of such covenants and agreements remain in full force and effect and are binding and enforceable on Assignee as if Assignee executed the Loan Instruments as an original party.

9. **No Impairment of Lien.** Nothing set forth herein shall affect the priority or extent of the lien of any of the Loan Instruments, nor, except as expressly set forth herein, release or change the liability of any party who may now be, or after the date of this Agreement, become liable, primarily or secondarily, under the Loan Instruments.

10. **Costs.** Assignee agrees to pay all fees and costs (including reasonable attorneys' fees) incurred by Lender in connection with Lender's consent to, approval and documentation of the assumption by Assignee of the obligations and liabilities under the Loan Instruments.

11. **Complete Release.** Assignor and Assignee, jointly and severally, unconditionally and irrevocably release and forever discharge Lender and its successors, assigns, agents, directors, officers, employees and attorneys (collectively, the "**Indemnitees**") from all Claims (as defined below), and jointly and severally agree to indemnify Indemnitees and hold them harmless from any and all claims, losses, causes of action, costs and expenses of every kind or character in connection with the Claims. As used in this Agreement, the term "**Claims**" shall mean any and all possible claims, demands, actions, costs, expenses and liabilities whatsoever, known or unknown, at law or in equity, originating, in whole or in part, on or before the date of this Agreement, which Borrower and/or Assignee, or any of their officers, agents or employees may now or hereafter have against the Indemnitees, if any, and irrespective of whether any such Claims arise out of contract, tort, violation of laws or regulations, or otherwise, in connection with the Loan Instruments, including, without limitation, any contracting for, charging, taking, reserving, collecting or receiving interest in excess of the highest lawful rate applicable thereto and any loss, cost or damage, of any kind or character, arising out of or in any way connected with or in any way resulting from the acts, actions or omissions of Indemnitees, including any requirement that the Loan Instruments be modified as a condition to the transactions contemplated by this Agreement, any charging, collecting or contracting for prepayment premiums, transfer fees or assumption fees, any breach of fiduciary duty, breach of any duty of fair dealing, breach of confidence, breach of funding commitment, undue influence, duress, economic coercion, violation of any federal or state securities or Blue Sky laws or regulations, conflict of interest, negligence, bad faith, malpractice, violations of the Racketeer Influenced and Corrupt Organizations Act, intentional or negligent infliction of mental distress,

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tortious interference with contractual relations, tortious interference with corporate governance or prospective business advantage, breach of contract, deceptive trade practices, libel, slander, conspiracy or any claim for wrongfully accelerating the Loan or wrongfully attempting to foreclose on any collateral relating to the Loan, but in each case only to the extent permitted by applicable law. Assignor and Assignee agree that Lender has no fiduciary or similar obligations to Assignor and Assignee and that their relationship is strictly that of creditor and debtor. This release is accepted by Lender pursuant to this Agreement and shall not be construed as any admission of liability on its part. Assignor and Assignee hereby represent and warrant that they are the current legal and beneficial owners of all Claims, if any, released hereby and have not assigned or pledged, or contracted to assign or pledge, any such Claims to any other person.

12. **Legal Opinion.** Assignee shall provide a legal opinion from Assignee's counsel to Lender to the effect that (a) this Agreement has been duly authorized, executed and delivered, and is valid and enforceable according to its terms under all applicable laws and regulations, (b) the execution of this Agreement has been duly authorized by all necessary corporate, partnership, or limited liability company action and the person or persons executing said documents on behalf of such entities are authorized to do so, (c) Assignee is a limited liability company duly formed, validly existing and in good standing under the laws of the state of its formation and any state in which it is conducting business, and (d) to the knowledge of such counsel, no litigation is pending or threatened which, if adversely determined, would have a material adverse effect on Assignee or Assignor.

13. **Miscellaneous.**

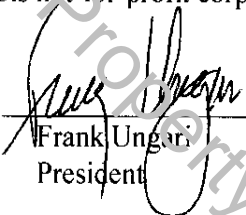
- (a) This Agreement shall be construed according to and governed by the laws of the State of Illinois without regard to its conflicts of law principles.
- (b) If any provision of this Agreement is adjudicated to be invalid, illegal or unenforceable, in whole or in part, it will be deemed omitted to that extent and all other provisions of this Agreement will remain in full force and effect.
- (c) No change or modification of this Agreement shall be valid unless the same is in writing and signed by all parties hereto.
- (d) The captions contained in this Agreement are for convenience of reference only and shall in no event define, describe or limit the scope or intent of this Agreement or any of the provisions or terms hereof.
- (e) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
- (f) This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof, it shall only be necessary to produce one such counterpart.

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

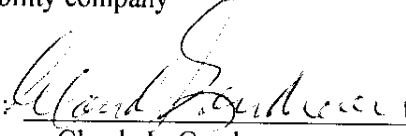
ASSIGNOR:

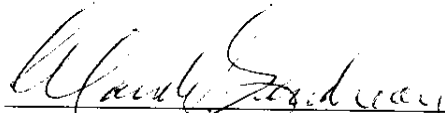
THE RAVISLOE COUNTRY CLUB, an Illinois not-for-profit corporation

By: 
Frank Ungari
President

ASSIGNEE:

RAVISLOE, L.L.C., an Illinois limited liability company

By: 
Claude L. Gendreau
Manager


CLAUDE L. GENDREAU, individually, as Guarantor

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IN WITNESS WHEREOF, Lender has executed and acknowledged the foregoing Agreement as of the date and year first above written.

HERITAGE COMMUNITY BANK, an
Illinois banking corporation

By: Michael L. Paoletta
Michael L. Paoletta
President

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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 FRANK UNGARI, known to me to be the President of **THE RAVISLOE COUNTRY CLUB**, an Illinois not-for-profit corporation, and the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged to me that he signed and delivered the foregoing instrument as his own free and voluntary act and the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 27th day of February, 2009.

Sharon L. Westbrook
NOTARY PUBLIC



My Commission Expires: _____

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

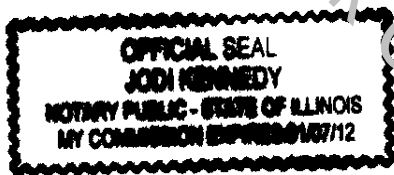
I, the undersigned, a Notary Public in and for said County, in the state aforesaid, DO HEREBY CERTIFY that CLAUDE L. GENDREAU, known to me to be the Manager of RAVISLOE, L.L.C., an Illinois limited liability company, and the same person whose name is subscribed to the foregoing instrument as such Manager, appeared before me this day in person and acknowledged to me that he signed and delivered the foregoing instrument as his own free and voluntary act and the free and voluntary act of said Company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 26th day of February 2009.


NOTARY PUBLIC

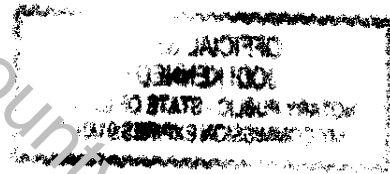
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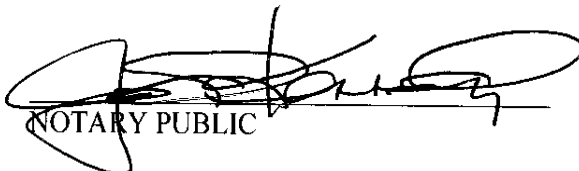


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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

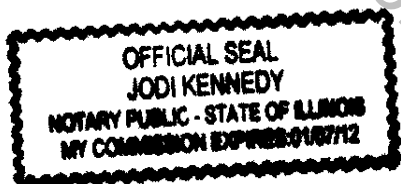
I, the undersigned, a Notary Public in and for said County, in the state aforesaid, DO HEREBY CERTIFY that **CLAUDE L. GENDREAU** appeared before me this day in person and acknowledged to me that he signed and delivered the foregoing instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 26th day of February, 2009.


NOTARY PUBLIC

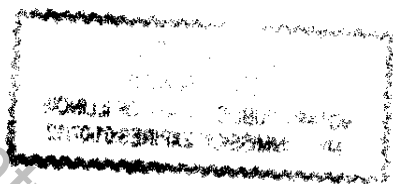
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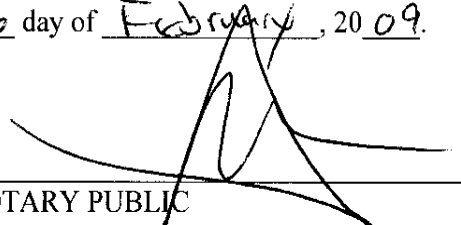


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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the state aforesaid, DO HEREBY CERTIFY that MICHAEL L. PAOLETTA, known to me to be the President of **HERITAGE COMMUNITY BANK**, an Illinois banking corporation, appeared before me this day in person and acknowledged to me that he signed and delivered the foregoing instrument as his own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

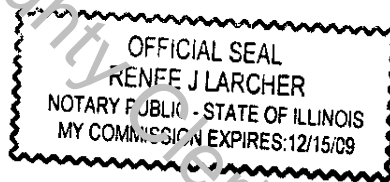
GIVEN under my hand and Notarial Seal this 26 day of February, 2009.



NOTARY PUBLIC

My Commission Expires:

12/15/2009



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EXHIBIT A

LEGAL DESCRIPTION – THE LAND

LOT 1 IN RAVISLOE SUBDIVISION, BEING A SUBDIVISION OF PART OF THE EAST ½ OF SECTION 36, TOWNSHIP 36 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THE WEST ½ OF SECTION 31, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED PER DOCUMENT NO. 0010779394, IN COOK COUNTY, ILLINOIS.

Common address: 18231 South Park Avenue
Homewood, Illinois 60430

Permanent Index Nos.: 28-36-413-013-0000
29-31-300-002-0000

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