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Prepared by and after recording return to:

Doc#: 1106735034 Fee: \$56.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 03/08/2011 10:31 AM Pg: 1 of 11

Eugene S. Kraus, Esq.
Scott & Kraus, LLC
150 S. Wacker Drive
Suite 2900
Chicago, IL 60606

PIN(s):
10-31-409-057-0000

Property Common Address(es):
6549 N. Natoma, Chicago, IL 60656

LOAN ASSUMPTION AGREEMENT

THIS LOAN ASSUMPTION AGREEMENT (this "Agreement"), executed on October 2nd, 2009 and by agreement of the parties made effective as of July 13, 2009, is by and among, JAMES J. COSMANO, an individual ("James"), LOUISE A. COSMANO, an individual ("Louise", together with James referred to hereinafter as "Borrower"), and JCOZ LLC DESIGNATED SERIES D, a Series under JCOZ LLC, an Illinois limited liability company ("JCOZ") and PARKWAY BANK AND TRUST COMPANY, an Illinois state banking corporation ("Lender"), having its principal place of business at 4800 N. Harlem Avenue, Harwood Heights, IL 60706.

RECITALS

A. Lender made a loan (the "Loan") to Borrower in the original principal amount of Two Hundred Ninety-One Thousand and 00/100 Dollars (\$291,000.00) to facilitate Borrower's purchase of real property which is legally described on EXHIBIT A attached hereto (the "Mortgaged Property");

B. The Loan is evidenced by, among other things (collectively the "Loan Documents"):

(1) that certain Promissory Note dated as January 13, 2009, in the original principal amount of \$291,000.00 (the "Original Note") made by Borrower in favor of Lender;

(2) that certain Mortgage dated October 15, 1993, which was recorded in the Office of the Cook County Recorder on November 3, 1993, as Document No. 93888314, made by Parkway Bank and Trust Company, not individually, but as trustee u/t/n #10347, whose address is 4800 N. Harlem Avenue, Harwood Heights, IL 60656 ("Trustee"), in favor of Lender against the Mortgaged Property (the "Mortgage");

(3) that certain Assignment of Rents dated October 15, 1993, which was recorded in the Office of the Cook County Recorder on November 3, 1993, as Document No. 93888315, made by Trustee in favor of Lender against the Mortgaged Property (the "Assignment"); and

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(4) all other assignments, indemnities, certificates, letters, documents, instruments and agreements delivered by or on behalf of Borrower or Trustee to Lender in connection with the Loan.

C. Austin Bank of Chicago is the mortgagee ("Junior Mortgagee") of a Mortgage dated September 14, 2007 in the amount of Two Million Seven Hundred Fifty Thousand and 00/100 Dollars (\$2,750,000) from Trustee, as mortgagor, recorded in the Office of the Cook County Recorder on December 7, 2007 as Document No. 0734147004, encumbering the Mortgaged Property (the "Junior Mortgage").

D. Pursuant to an agreement among Borrower, JCOZ and Trustee (the "Transfer Agreement"), Trustee is deeding the Mortgaged Property from Trustee to JCOZ, and in connection therewith, JCOZ is assuming the Loan.

E. Lender has agreed to the transfer of the Mortgaged Property from Trustee to JCOZ provided that: (a) JCOZ assumes all of Borrower's obligations under the Loan Documents; (b) Borrower executes and delivers a joint and several personal guaranty to Lender of all amounts due under the Loan; (c) Junior Mortgagee subordinates the Junior Mortgage in favor of Lender by executing and delivering a Subordination of Mortgage to Lender, and (d) JCOZ and Borrower otherwise comply with the terms, conditions and requirements of this Agreement.

F. JCOZ and Borrower will derive substantial direct and indirect benefit from Lender's consent to the transfer of the Mortgaged Property to JCOZ.

G. JCOZ, Borrower and Lender desire to set forth in writing the terms and provisions of JCOZ's assumption of the Loan and certain other agreements relating thereto.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, JCOZ, Borrower and Lender agree as follows:

1. **Assignment and Assumption of Loan.** Borrower hereby assigns to JCOZ (and JCOZ hereby accepts) all of its right, title and interest in and to the Loan and the Loan Documents. JCOZ hereby unconditionally and irrevocably assumes all of Borrower's obligations under the Loan Documents and shall hereby immediately become directly liable for all of Borrower's agreements, obligations, representations, warranties and covenants contained in the Loan Documents. Without limiting the foregoing, JCOZ shall, upon the execution of this Agreement, become liable for the repayment of the full amount due under the Original Note (as the same may be amended, restated, replaced, revised and or extended from time to time). The assumption contained above shall make JCOZ directly and fully responsible for the performance of all such obligations to the extent as if JCOZ had itself executed each and every one of the Loan Documents. By executing this Agreement, JCOZ hereby affirms and makes each of the agreements, obligations, representations, warranties and covenants contained in the Loan Documents as of the date hereof.

2. **Release of Borrower.** Subject to the second sentence hereof, in consideration of JCOZ's assumption of the loan and Borrower's delivery of their joint and several personal guaranty of the Loan (the "Guaranty"), Lender hereby releases and discharges Borrower from their obligations under the Loan Documents. Notwithstanding the foregoing, the release of Borrower contained in this Section 2 shall in no way release or discharge Borrower from any obligation which it may owe to Lender arising out of this Agreement.

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3. Consent to Transfer. Lender hereby consents to the transfer of the Mortgaged Property to JCOZ from Trustee. No further transfers of the Mortgaged Property shall be permitted without Lender's written consent.

4. Representations, Warranties and Covenants. Borrower and JCOZ each hereby represent and warrant to and covenant with Lender as follows:

(a) The transfer of the Mortgaged Property to JCOZ from Trustee shall be subject to the lien of the Mortgage, the Assignment and all of the other Loan Documents.

(b) The recitals set forth at the beginning of this Agreement are factually true and correct in all respects and Lender has relied on such and form a material part of this Agreement.

(c) Except as modified by or as otherwise expressly provided for in this Agreement: (i) the Loan Documents shall be unaffected and in no way be released, mitigated, or discharged as a result of this Agreement; and (ii) the Loan Documents are in full force and effect and are binding and enforceable, and will remain binding and enforceable in accordance with their terms.

(d) Borrower and JCOZ do not possess any claims, defenses, offsets or counterclaims against the Lender relating to the Loan Documents and Borrower and JCOZ do not have any knowledge of any facts that would give rise to any claims, defenses, offsets or counterclaims against the Lender relating to the enforceability of the Loan Documents.

(e) In the event there exists any facts that would give rise to any claim, defense, offset or counterclaim against or with respect to the enforcement of Loan Documents, Borrower and JCOZ hereby unconditionally, irrevocably, and unequivocally waive and fully release Lender of any such claim, defense, offset or counterclaim to the same extent as if such claims were the subject of a lawsuit adjudicated to conclusion and dismissed therein with prejudice.

(f) Prior to the date hereof, Lender has fully performed its obligations under the Loan Documents.

(g) No Event of Default has occurred under the Loan Documents and no circumstances exist which would constitute an Event of Default if proper notice were given or if a grace period elapsed.

(h) This Agreement has been duly authorized by all necessary corporate or organizational action required under JCOZ's organizational documents and the execution thereof shall not violate any of JCOZ's organizational documents or any other contracts or agreements to which JCOZ is bound.

(i) At all times, until the Loan is paid in full, James and Louise shall: (i) own all of the membership interests of JCOZ; and (i) continue to be officers, directors and/or managers of JCOZ.

5. Conditions to Closing. Lender's agreement to consent to the assumption contained herein shall be subject to the satisfaction of the following conditions precedent by Borrower and JCOZ:

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(a) Replacement Note. Contemporaneously herewith, JCOZ will execute a new promissory note in the maximum principal amount of \$291,000 in form and manner satisfactory to Lender (the "Replacement Note"). The Replacement Note is being executed and delivered in substitution, renewal, amendment and replacement of (but not in payment of) the Original Note. The Replacement Note represents a renewal of all amounts currently outstanding under the Original Note. All amounts outstanding under the Original Note as of the date hereof shall be deemed outstanding under the Replacement Note. All references to the "Promissory Note" or "Note" in the Loan Documents shall mean the Replacement Note (and any amendments, renewals, substitutions or replacements thereto).

(b) Title Insurance. Lender shall (at JCOZ's expense) receive a new lender's title insurance policy (the "New Policy") from a title insurance company acceptable to Lender in the amount of \$291,000.00, which shall list JCOZ as the title holder and which shall in all respects be acceptable to Lender in its discretion. Without limiting the foregoing, except for those encumbrances expressly permitted in writing by Lender, the New Policy shall not contain any Schedule B exceptions disclosing any mortgage, trust deed or other encumbrance other than the Loan Documents, regardless of whether such is senior or junior to the Loan Documents. The New Policy shall include such endorsements as Lender may reasonable require.

(c) Organizational Information. Lender shall have received a Member's Certificate as to Managers, Members and a copy of the Operating Agreement from JCOZ in form and substance acceptable to Lender.

(d) Guaranty. Borrower shall execute and deliver to Lender the Guaranty.

(e) Insurance. Lender shall have received proof from JCOZ that the Mortgaged Property is properly insured by JCOZ as required under the Mortgage.

(f) Opinion Letter. Lender shall have received an opinion letter from JCOZ's counsel opining as to such matters as Lender may determine in its discretion.

(i) Legal Fees. JCOZ shall have paid all of Lender's legal fees and costs incurred in connection with the assumption of the loan by JCOZ.

6. Acknowledgment of Consideration. Borrower and JCOZ hereby agree and acknowledge as follows:

(a) this Agreement has been entered into in consideration of Lender's agreement to enter into the Loan and pursuant to the terms of the Transfer Agreement;

(b) Lender's agreement to make the Loan constitutes valuable and adequate consideration for the granting of this Agreement and execution of the Guaranty; and

(c) Borrower and JCOZ each hereby waive any and all defenses relating to or arising out of the existence, failure or adequacy of the consideration given for the execution of this Agreement or the Guaranty.

7. Acknowledgement of Security for Loan. Borrower and JCOZ hereby agree that all mortgages, security interests, assignments, liens and pledges in favor of Lender as evidenced or created by the Loan Documents shall continue in full force and effect and shall secure the repayment of all amounts due to Lender under the Loan and the Loan Documents, including without

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limitation the obligations evidenced by the Replacement Note. It is the intention of the parties that this Agreement shall not result in a subordination, amendment or modification of the Loan Documents, except as expressly provided for herein.

8. Acknowledgment of Loan Documents. JCOZ and Borrower each hereby represent, warrant and agree that: (a) it has read and reviewed the terms of the Loan Documents prior to executing this Agreement; (b) it has had the opportunity to consult with Lender and legal counsel of its own choosing concerning the contents of this Agreement and the Loan Documents as well as the status of the Loan; (c) it consents to, approves of and accepts the terms of the Loan Documents, as amended hereby; and (d) it waives any defense to the enforcement of the Loan Documents based upon: (i) Lender's failure to provide JCOZ or Borrower any information relating to Borrower or the administration of the Loan prior to the date hereof; or (ii) its failure to fully read, review or understand the Loan Documents or the status of Loan administration.

9. Omni-bus Amendment. Borrower and JCOZ hereby agree that each of the Loan Documents shall hereby be deemed amended to give effect to the provisions of this Agreement without need for separately amending each of the Loan Documents. Without limiting the foregoing, the terms "Borrower", "Mortgagor" and "Debtor" used throughout the Loan Documents shall be deemed to hereafter refer to JCOZ.

10. Cross-Default Provisions. JCOZ, Borrower and Lender hereby agree that: (a) an event of default under this Agreement or the Guaranty shall constitute an Event of Default under each and every one of the Loan Documents, and (b) an event of default under any of the Loan Documents shall constitute an Event of Default under this Agreement and the Guaranty.

11. Indemnity and Waivers. To the extent any dispute arises between Borrower and JCOZ or with respect to the transactions contemplated hereby and Lender is made a party to such dispute or determines that it must protect its interests in connection with said dispute, then JCOZ and Borrower hereby jointly and severally agree to indemnify Lender and to hold Lender harmless from and against all losses, claims, demands, costs, expenses, and liabilities (including settlement amounts and reasonable attorney's fees) suffered by Lender in connection with any such dispute. Further, Borrower and JCOZ hereby absolutely and unconditionally waive any and all defenses to the enforcement of the Loan Documents arising by virtue of the execution of this Agreement.

12. Agreement and Consent of Guaranty. Concurrent with the execution hereof, Borrower shall execute and deliver to Lender the Guaranty. Borrower hereby consents to the terms of this Agreement and acknowledges that the obligations of JCOZ arising hereunder shall be deemed to be "Liabilities" (as such is used in and defined under the Guaranty). Borrower represents, warrants and agrees that: (a) it does not possess any claims, defenses, offsets or counterclaims against the Lender relating to the Guaranty; (b) it does not have any knowledge of any facts that would give rise to any such claims, defenses, offsets or counterclaims against the Lender; and (c) in the event there exists any facts that would give rise to any claim, defense, offset or counterclaim against or with respect to the Guaranty, it hereby unconditionally, irrevocably and unequivocally waives and fully releases Lender of any such claim, defense, offset or counterclaim to the same extent as if such claims were the subject of a lawsuit adjudicated to conclusion and dismissed with prejudice. Borrower hereby certifies, represents and warrants to Lender that all certifications, representations and warranties made by Borrower to Lender in or in connection with the Guaranty are true in all material respects on and as of the date hereof.

13. Release of Lender by Borrower. In consideration of Lender's agreement to release Borrower as provided for herein and Lender's consent to the assumption of the Loan by JCOZ,

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Borrower hereby releases and fully discharges Lender from and against any and all claims, causes of actions or damages which Borrower may have as of the date hereof (whether known or unknown to Borrower).

14. **Miscellaneous.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall be governed by and enforced in accordance with the laws of the State of Illinois. No waiver, modification, estoppel, amendment, discharge or change of the terms of this Agreement shall be valid and binding unless the same is in writing and signed by all parties hereto. The provisions of this Agreement are severable in the instance any provision is unenforceable. JCOZ and Borrower (jointly and severally) shall pay, on demand, all of Lender's costs and fees (including reasonable attorney's fees and costs) incurred by Lender in the enforcement of the provisions of this Agreement. The terms and provisions of the Loan Documents are incorporated herein by reference as if fully stated herein. To the extent the terms of this Agreement conflict with the terms of the Loan Documents, the terms of this Agreement shall control. This Agreement, along with the Guaranty and the Loan Documents, constitutes the entire agreement of the parties with respect to the matters referenced herein. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The headings herein are for convenience only and shall in no manner be construed to affect the substantive nature of this Agreement. Any and all notices to be served on JCOZ or Borrower shall be served using the addresses set forth in the Loan Documents. **THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH THIS AGREEMENT.**

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date first set forth above.

JCOZ LLC DESIGNATED SERIES D, a Series under JCOZ LLC, an Illinois limited liability company

By: *James Cosmano*
James J. Cosmano, Manager

By: *Louise Cosmano*
Louise Cosmano, Manager

James J. Cosmano
James J. Cosmano
Louise Cosmano
Louise Cosmano

Property of Cook County Clerk's Office

Agreed and accepted:

PARKWAY BANK AND TRUST COMPANY, an Illinois banking corporation

By: *Marianne L. Wagener*
Name: Marianne L. Wagener
Title: Vice President

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

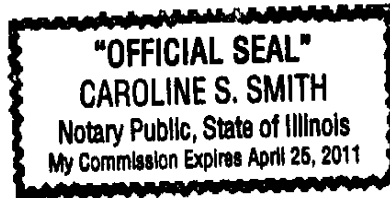
I, Caroline S. Smith, a notary public, in and for said County in said State, hereby certify that James J. Cosmano, Manager of JCOZ LLC DESIGNATED SERIES D, a Series under JCOZ LLC, an Illinois limited liability company, signed the foregoing conveyance in his/her representative capacity and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said parties.

GIVEN under my hand and Notarial Seal this 25th day of September, 2009.

Caroline S. Smith
NOTARY PUBLIC

My Commission Expires:

04/25/2011
[SEAL]



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

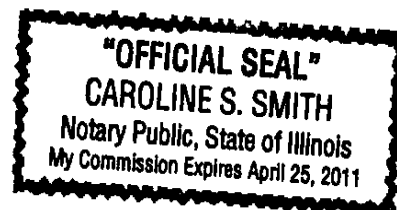
I, Caroline S. Smith, a notary public, in and for said County in said State, hereby certify that Louise Cosmano, Manager of JCOZ LLC DESIGNATED SERIES D, a Series under JCOZ LLC, an Illinois limited liability company, signed the foregoing conveyance in his/her representative capacity and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said parties.

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

Caroline S. Smith
NOTARY PUBLIC

My Commission Expires:

04/25/2011
[SEAL]



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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Caroline S. Smith, a notary public, in and for said County in said State, hereby certify that James J. Cosmano signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he executed the same voluntarily for and as his own act.

GIVEN under my hand and Notarial Seal this 28th day of September, 2009.

Caroline S. Smith
NOTARY PUBLIC

My Commission Expires:

04/25/2011
[SEAL]



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

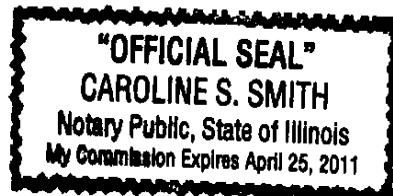
I, Caroline S. Smith, a notary public, in and for said County in said State, hereby certify that Louise A. Cosmano signed the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, she executed the same voluntarily for and as her own act.

GIVEN under my hand and Notarial Seal this 28th day of September, 2009.

Caroline S. Smith
NOTARY PUBLIC

My Commission Expires:

04/25/2011
[SEAL]



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EXHIBIT A

LEGAL DESCRIPTION

ADDRESS: 6549 N. Natoma, Chicago, Illinois 60631

ALL OF LOT NINETEEN (19) THE SOUTH 12.26 FEET OF LOT TWENTY (AS MEASURED ALONG THE WEST LINE OF LOT TWENTY (20) IN A. J. SCHMID'S FOREST VIEW SUBDIVISION OF THAT PART OF THE SOUTHEAST QUARTER (1/4) OF THE SOUTHEAST QUARTER (1/4) OF SECTION 31, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHWESTERLY OF THE CENTER LINE OF MILWAUKEE AVENUE, AND NORTHWESTERLY OF THE NORTHWESTERLY LINE OF BILLY CALDWELL'S RESERVE EXTENDED IN A STRAIGHT LINE TO THE WEST LINE OF SAID SOUTHEAST QUARTER (1/4) OF THE SOUTHEAST QUARTER (1/4) OF SECTION 31, AFORESAID, IN COOK COUNTY, ILLINOIS.

PIN: 10-31-409-057-0000