

# UNOFFICIAL COPY



Ridgestone Bank Loan Number: 15382  
Property Name:  
125 S. Green St., #1103A and P-139  
Chicago IL 60607

Doc#: 1419716087 Fee: \$68.00  
RHSP Fee:\$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 07/16/2014 03:53 PM Pg: 1 of 16

When Recorded Return to:  
Scott Jensen, Esq.  
Murray, Jensen & Wilson, Ltd.  
101 N. Wacker Dr., Ste. 101  
Chicago, IL 60606

## ASSUMPTION AND LOAN MODIFICATION AGREEMENT

THIS ASSUMPTION AND LOAN MODIFICATION AGREEMENT (“**Agreement**”) is entered into effective as of the 2<sup>nd</sup> day of June, 2014, by and among GALAXY ENVIRONMENTAL, INC., an Illinois corporation (“**Original Borrower**”), GREEN 125, LLC, an Illinois limited liability company (“**New Borrower**”), and RIDGESTONE BANK (“**Ridgestone**”), and is acknowledged and consented to by GEORGE A. SALINAS (“**Guarantor**”), and 301 Washington LLC, an Illinois limited liability company (“**301 Mortgagor**”).

### RECITALS

- A. Original Borrower obtained a mortgage loan (“**Loan**”) from Ridgestone (“**Original Lender**”), which Loan is secured by certain Land and Improvements (“**Mortgaged Property**”), located in Chicago, Cook County, Illinois. The Land is more particularly described in Exhibit A, attached to this Agreement.
- B. Original Borrower executed a promissory note evidencing the Loan, dated December 2, 2008, in the original principal amount of \$375,000.00, and subsequent renewals and modifications thereof, payable to Ridgestone (“**Note**”).
- C. To secure repayment of the Note, Original Borrower executed and delivered to Ridgestone a Real Estate Mortgage (“**Security Instrument**”) of even date with the Note, which was recorded on December 4, 2008, with the Cook County Recorder of Deeds (the “**Recorder of Deeds**”), as Document No. 0833941060.
- D. To secure repayment of the Note, 301 Mortgagor executed and delivered to Ridgestone a Real Estate Mortgage (“**301 Mortgage**”) dated September 2, 2013, which was recorded on December 23, 2013 with the Recorder of Deeds as Document No. 1335729007.
- E. To guaranty repayment of the Loan, George A. Salinas (“**Guarantor**”) has guaranteed payment of the obligations of Original Borrower under the Loan Documents by executing a Guaranty dated December 2, 2008 (“**Original Guaranty**”).
- F. The Note, Security Instrument, and any other document executed by Original Borrower in connection with the Loan that will be assumed by New Borrower, all as listed on Exhibit B

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to this Agreement, are referred to collectively in this Agreement as the “**Assumed Loan Documents.**”

- E. Original Borrower has transferred or has agreed to transfer all of its right, title, and interest in and to the Mortgaged Property to New Borrower (“**Transfer**”).
- F. New Borrower has agreed to assume all of Original Borrower’s rights, obligations, and liabilities created or arising under the Assumed Loan Documents, with certain modifications, if any, as set forth below (“**Assumption**”).
- G. Subject to the full satisfaction of all conditions set forth below, Ridgestone has agreed to consent to the Transfer and the Assumption.
- H. Capitalized terms not defined in this Agreement will have the meanings given to them in the Security Instrument and other Loan Documents.
- I. Original Borrower desires to be released by Ridgestone from any and all obligations and liabilities under the terms and provisions of the Assumed Loan Documents, and Ridgestone has agreed to release Original Borrower from further liability (except as provided in Section 10 of this Agreement).

## AGREEMENT

NOW, THEREFORE, in consideration of these premises, the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. **Assumption of Obligations.** New Borrower covenants, promises, and agrees that New Borrower, will unconditionally assume and be bound by all terms, provisions, and covenants of the Assumed Loan Documents as if New Borrower had been the original maker of the Assumed Loan Documents. New Borrower will pay all sums to be paid and perform each and every obligation to be performed by Original Borrower under and in accordance with the terms and conditions of the Assumed Loan Documents.
2. **Affirmations by New Borrower.**
  - (a) New Borrower agrees that the Assumed Loan Documents are and will be and remain in full force and effect, enforceable against New Borrower in accordance with their terms, except as modified by this Agreement.
  - (b) The Mortgaged Property will remain subject to the lien, charge and encumbrance of the Security Instrument. Nothing contained in this Agreement or done pursuant to this Agreement will affect or be construed to affect the lien, charge, and encumbrance of the Security Instrument or the priority of the Security Instrument over other liens, charges, and encumbrances.

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- (c) Nothing contained in this Agreement or done pursuant to this Agreement will release or be construed to release or affect the liability of any party or parties who may now or after the date of this Agreement be liable under or on account of the Note and the Security Instrument, except as expressly provided in this Agreement.
- (d) New Borrower will be liable for the payment of all sums and the performance of every obligation required of Borrower under the Assumed Loan Documents to the extent set forth in the Assumed Loan Documents, as modified by this Agreement.

### 3. **Subordination of Rights of Original Borrower and New Borrower.**

- (a) Any indebtedness of Original Borrower to New Borrower, or of New Borrower to Original Borrower, now or existing after the date of this Agreement, together with any interest on such debt, is subordinated to any indebtedness of Original Borrower or New Borrower to Ridgestone under the Loan Documents or the Assumed Loan Documents, as applicable.
- (b) Any collection or receipts with respect to any such indebtedness of Original Borrower to New Borrower, or of New Borrower to Original Borrower, will be collected, enforced and received by New Borrower or Original Borrower (as applicable) in trust for the benefit of Ridgestone, and will be paid over to Ridgestone on account of the indebtedness of Original Borrower and New Borrower to Ridgestone, but without impairing or affecting in any manner the liability of Original Borrower or New Borrower under the other provisions of the Loan Documents or the Assumed Loan Documents, as applicable, and this Agreement.

### 4. **Modification of Note and Security Instrument.** New Borrower and Ridgestone agree that the provisions of the Assumed Loan Documents are modified as set forth below in this Agreement.

### 5. **Representations and Warranties of Original Borrower.** Original Borrower makes each of the following representations and warranties to Ridgestone and to New Borrower:

- (a) As of the date of this Agreement, the amount of the unpaid indebtedness under the Note is \$236,003.98.
- (b) Interest at the rate set forth in the Note has been paid to Ridgestone in full through and including May 22, 2014.
- (c) All of the representations and warranties made by Original Borrower in the Loan Documents are true as of the date on which Original Borrower executes this Agreement.

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- (d) No Event of Default (or event which, with the giving of notice or the passage of time or both, would be an Event of Default) has occurred or is continuing under the Loan Documents.
- (e) Original Borrower has no claims, offsets, defenses, or counterclaims of any kind to its performance under, or Ridgestone's enforcement of, the Note and the other Loan Documents; and to the extent any such counterclaims, setoffs, defenses or other causes of action may exist, whether known or unknown, Original Borrower waives all such items.
- (f) Original Borrower acknowledges that all of Ridgestone's actions in connection with the Loan have been in compliance with the terms of the applicable Loan Documents, and Original Borrower acknowledges and agrees that Ridgestone has not breached or failed to perform any duty or obligation that Ridgestone may owe Original Borrower.
- (g) There are no suits or actions threatened or pending against Original Borrower which affect the enforcement or validity of the Note, the Security Instrument, and/or the Loan Documents.
6. **Additional Transfers.** Notwithstanding Ridgestone's consent to the Transfer, New Borrower understands and agrees that such consent will in no way limit or operate as a waiver of Ridgestone's continuing rights with respect to future transfers under the provisions of the Security Instrument.
7. **Continuing Obligations.** New Borrower will execute, acknowledge, and deliver such other documents as Ridgestone may require to document the Assumption and to more fully implement the provisions of this Agreement. The failure of New Borrower to comply with the additional obligations contained in this Section will constitute an Event of Default under the Security Instrument, and Ridgestone will be entitled to exercise all remedies available to it under the terms of the Assumed Loan Documents.
8. **Additional Agreements.**
- (a) **Interest Rate.** Commencing June 2, 2014, interest shall accrue prior to default at the rate of 5.00 percent per annum. The annual interest rate for the obligations owed under Loan 15382 shall be computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by 5.00 percentage points (5.00%). **NOTICE:** Under no circumstances will the interest rate be more than the maximum rate allowed by applicable law.
- (b) **Payments.** New Borrower will make monthly payments of \$1,874.85 beginning on July 2, 2014, and on the 2<sup>nd</sup> day of each month thereafter. A single "balloon

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payment” of the entire unpaid balance of principal and interest will be due on June 2, 2015. In addition, a monthly tax escrow payment of \$573.80 (or such other amount advised by the Lender from time to time) shall be due and payable.

- (c) **Prior Obligation.** The failure of New Borrower to comply with the provisions of the Additional Agreements, if applicable, will constitute an Event of Default under the Security Instrument, and Ridgestone will be entitled to exercise all remedies available to it under the terms of the Additional Agreements and the Assumed Loan Documents.

## 9. **Release of Original Borrower; Rights of Ridgestone.**

- (a) In reliance upon Original Borrower’s representations and warranties in the Loan Documents (“**Representations and Warranties**”), Ridgestone releases Original Borrower from its obligations under the terms of the Loan Documents.
- (b) If any material element of Original Borrower’s Representations and Warranties is materially false or misleading, this release will be canceled and Original Borrower will remain obligated under the Loan Documents as though there had been no release.
- (c) If at any time all or any part of any payment by Original Borrower which has been applied by Ridgestone to payment of the Loan is or must be rescinded, repaid or returned by Ridgestone for any reason whatsoever (including the application of any bankruptcy, insolvency or other law), for purposes of this Agreement, to the extent that such payment is or must be rescinded, repaid or returned, such payment will be deemed to have continued to be due and payable, notwithstanding such application by Ridgestone, and this Agreement will continue to be effective as to such payment as though such application by Ridgestone had not been made. Original Borrower and New Borrower will each remain liable to Ridgestone for the amount so rescinded, repaid, or returned to the same extent as if such amount had never originally been received by Ridgestone, notwithstanding any cancellation of the Note, release or satisfaction of the Security Instrument, or the cancellation of any other Loan Document.
- (b) If any material element of Original Borrower’s Representations and Warranties is materially false or misleading, this release will be canceled and Original Borrower will remain obligated under the Loan Documents as though there had been no release.
- (c) If at any time all or any part of any payment by Original Borrower which has been applied by Ridgestone to payment of the Loan on or prior to the date of this Agreement is or must be rescinded, repaid or returned by Ridgestone for any reason whatsoever (including the application of any bankruptcy, insolvency or other law), for purposes of this Agreement, to the extent that such payment is or must be

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rescinded, repaid or returned, such payment will be deemed to have continued to be due and payable, notwithstanding such application by Ridgestone and this Agreement will continue to be effective as to such payment as though such application by Ridgestone had not been made. Original Borrower and New Borrower will each remain liable to Ridgestone for the amount so rescinded, repaid, or returned to the same extent as if such amount had never originally been received by Ridgestone, notwithstanding any cancellation of the Note, release or satisfaction of the Security Instrument, or the cancellation of any other Loan Document.

**10. Ratification of Original Guaranty.**

- (a) Guarantor guarantees payment of Original Borrower's and the New Borrower's liability under the Security Instrument and the Assumed Loan Documents.
- (b) By signing the Acknowledgment and Consent to this Agreement where indicated below, Guarantor ratifies its Original Guaranty.

**11. Acknowledgement and Consent of 301 Washington LLC.** 301 Washington LLC, as the mortgagor of the Mortgage dated September 2, 2013 recorded on December 23, 2013 in Cook County, Illinois as Document No. 1335729007 on the property located at 301 Washington St., Glenview, IL 60025, which secures the Debt Modification Agreement executed by Galaxy Environmental Inc. to Ridgestone dated September 2, 2013, acknowledges and consents to the execution of this Assumption Agreement.

**12. Expenses.** New Borrower will pay all expenses incurred by Ridgestone in connection with the Assumption, including the payment of any title endorsement costs, legal costs (including in-house legal costs), attorneys' fees, and assumption fees required by Ridgestone and/or pursuant to the Loan Documents.

**13. Miscellaneous.**

- (a) This Agreement will be binding upon and will inure to the benefit of the parties to the Agreement and their respective heirs, successors, and permitted assigns.
- (b) Except as expressly modified by this Agreement, the Note, the Security Instrument, and all other Assumed Loan Documents will be unchanged and remain in full force and effect, and are hereby expressly approved, ratified, and confirmed. No provision of this Agreement that is held to be inoperative, unenforceable or invalid will affect the remaining provisions, and to this end all provisions of this Agreement are declared to be severable.
- (c) Time is of the essence of this Agreement.
- (d) This Agreement may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification



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or discharge is sought.

- (c) This Agreement will be construed in accordance with the laws of the jurisdiction in which the Mortgaged Property is located.
  - (f) This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same document.
  - (g) All notices given pursuant to the Agreement must be in writing and will be effectively given if personally delivered or, if mailed, postage prepaid, certified or registered mail, return receipt requested, to the addresses of the parties set forth below or to such other address as any party subsequently may designate in writing.
  - (h) The failure of New Borrower to comply with the additional obligations contained in this Agreement will constitute an Event of Default under the Security Instrument, and Ridgestone will be entitled to exercise all remedies available to it under the terms of the Assumed Loan Documents.
15. **Executed Originals.** Executed originals of this Agreement will be (a) attached permanently to the Note as an amendment to the Note, as heretofore modified by the Assumed Loan Documents, and (b) recorded with the Recorder of Deeds as a modification to the Security Instrument.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.**

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**16. Attached Exhibits.** The following Exhibits, if marked with an "X", are attached to this Agreement:

Exhibit A          Legal Description of the Land

Exhibit B          List of Assumed Loan Documents

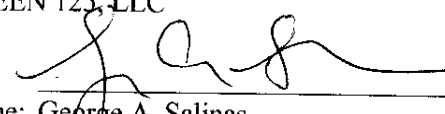
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

**ORIGINAL BORROWER:**  
GALAXY ENVIRONMENTAL, INC.

By:   
Name: George A. Salinas  
Title: President

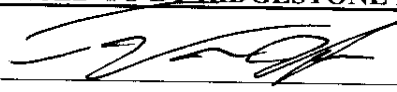
Address for Notice to Original Borrower:  
3565 N. Milwaukee Ave.  
Chicago, IL 60641

**NEW BORROWER:**  
GREEN 125, LLC

By:   
Name: George A. Salinas  
Title: Sole Member

Address for Notice to New Borrower:  
3565 N. Milwaukee Ave.  
Chicago, IL 60641

**CONSENTED TO BY RIDGESTONE BANK:**

By:   
Name: Thad Van Hild  
Title: Vice President

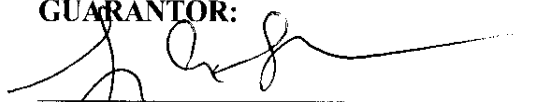
Address for Notice to Ridgestone Bank:  
13925 W. North Ave.  
Brookfield, WI 53005

**ACKNOWLEDGED AND CONSENTED TO:**



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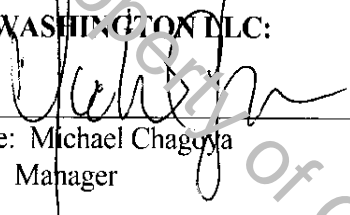
**GUARANTOR:**

  
\_\_\_\_\_  
George A. Salinas

Address for Notice to Guarantor:  
3565 N. Milwaukee Ave.  
Chicago, IL 60641

**ACKNOWLEDGED AND CONSENTED TO:**

**301 WASHINGTON LLC:**

By:   
\_\_\_\_\_  
Name: Michael Chagoya  
Title: Manager

Address for Notice to 301 Washington LLC:  
3565 N. Milwaukee Ave.  
Chicago, IL 60641

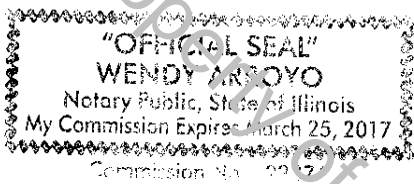
Property of Cook County Clerk's Office

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STATE OF ILLINOIS )  
 )  
COUNTY OF COOK ) SS

I, Wendy Arroyo a notary public in an for the said County, in the State aforesaid, DO HEREBY CERTIFY that George A. Salinas, President of Galaxy Environmental, Inc., personally known to me to be the same person whose name is subscribed to the foregoing instrument, as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 14<sup>th</sup> day of July, 2014



Wendy Arroyo  
Notary Public

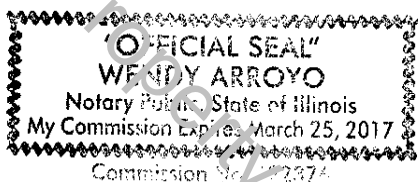
Property of Cook County Clerk's Office

# UNOFFICIAL COPY

STATE OF ILLINOIS )  
 )  
COUNTY OF COOK ) SS

I, Wendy Arroyo a notary public in an for the said County, in the State aforesaid, DO HEREBY CERTIFY that George A. Salinas, sole Member of Green 125, LLC, personally known to me to be the same person whose name is subscribed to the foregoing instruments, as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 14<sup>th</sup> day of July, 2014



Wendy Arroyo  
Notary Public

Commission expires: March 25, 2017

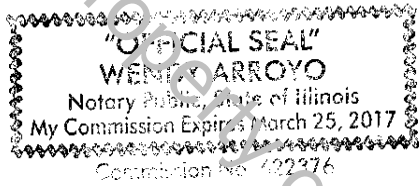
Cook County Clerk's Office

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STATE OF ILLINOIS )  
 )  
COUNTY OF COOK ) SS

I, Wendy Arroyo a notary public in an for the said County, in the State aforesaid, DO HEREBY CERTIFY that George A. Salinas, personally known to me to be the same person whose name is subscribed to the foregoing instrument, as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 14th day of July, 2014



Wendy Arroyo  
Notary Public

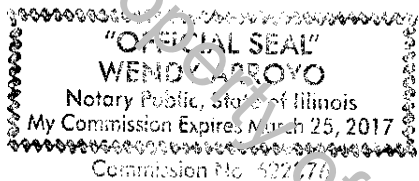
Proprietary of Cook County Clerk's Office

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STATE OF Illinois )  
COUNTY OF Cook ) SS

I, Wendy Annayo a notary public in an for the said County, in the State aforesaid, DO HEREBY CERTIFY that Michael Chagoya, Manager of 301 Washington LLC, personally known to me to be the same person whose name is subscribed to the foregoing instruments, as his free and voluntary act, for the uses and purposes therein set forth.

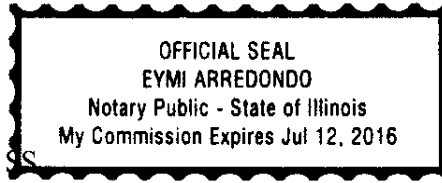
Given under my hand and official seal, this 14th day of July, 2014



Wendy Annayo  
Notary Public

Proprietary of Cook County Clerk's Office

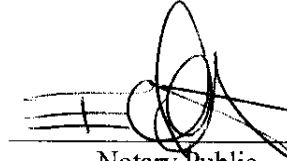
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STATE OF ILLINOIS )  
 )  
 COUNTY OF COOK )

I, Eymi Arredondo notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Thad Van Hi, Vice President of Ridgestone Bank, personally known to me to be the same person whose name is subscribed to the foregoing instruments, as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 14 day of July, 2014

  
 \_\_\_\_\_  
 Notary Public

Property of Cook County Clerk's Office



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## EXHIBIT A

### LEGAL DESCRIPTION

UNIT 1103A AND P-139 IN THE EMERALD CONDOMINIUM, AS DESCRIBED AND DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY:

THAT PART OF LOTS 10, 11, 12, 13, 14, 15 AND 16 IN BLOCK 10 IN DUNCAN'S ADDITION TO CHICAGO, A SUBDIVISION OF THE EAST 1/2 OF THE NORTHEAST 1/4 IN SECTION 17, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; WHICH SURVEY IS ATTACHED TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT 0812116028, AS AMENDED FROM TIME TO TIME, TOGETHER WITH AN UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

P.I.N. 17-17-215-024-1090 (UNIT 1103A)

P.I.N. 17-17-215-024-1352 (UNIT P-139)

c/k/a 125 S. Green St., Unit 1103A and P 139, Chicago, IL 60607

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## EXHIBIT B

### LIST OF ASSUMED LOAN DOCUMENTS

1. Commercial Loan Agreement dated December 2, 2008 executed by Galaxy Environmental, Inc.
2. Commercial Promissory Note dated December 2, 2008, in the original principal amount of \$375,000.00, executed by Galaxy Environmental, Inc. to Ridgestone Bank.
3. Commercial Debt Modification Agreement dated December 2, 2011 executed by Galaxy Environmental, Inc. to Ridgestone Bank.
4. Commercial Debt Modification Agreement dated March 2, 2012 executed by Galaxy Environmental, Inc. to Ridgestone Bank.
5. Renewal Promissory Note dated June 2, 2012, in the original principal amount of \$363,212.05, executed by Galaxy Environmental, Inc. to Ridgestone Bank.
6. Renewal Promissory Note dated June 2, 2013, in the original principal amount of \$360,893.22, executed by Galaxy Environmental, Inc. to Ridgestone Bank.
7. Debt Modification Agreement dated September 2, 2013 executed by Galaxy Environmental, Inc. to Ridgestone Bank.
8. Mortgage dated December 2, 2008 executed by Galaxy Environmental, Inc., and recorded on December 4, 2008 with the Cook County Recorder of Deeds as Document No. 0833941060.
9. Guaranty dated December 2, 2008 executed by George A. Salinas to Ridgestone Bank.