

No. 1-17-1938

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IN THE
APPELLATE COURT OF ILLINOIS
FIRST JUDICIAL DISTRICT

MUSA P. TADROS,)	Appeal from the Circuit Court of
)	Cook County.
Plaintiff-Appellant and Cross-Appellee,)	
)	
v.)	
)	
CHARLES S. CEBULA, AUTOMATIC FIRE)	No. 13 L 4855
CONTROLS, INC., an Illinois corporation, and)	
FIRE SYSTEMS HOLDINGS, INC., an Illinois)	
corporation,)	
)	
Defendants-Appellees and Cross-Appellants.))	Honorable John C. Griffin, Judge Presiding.

JUSTICE CONNORS delivered the judgment of the court.
Presiding Justice Delort and Justice Cunningham concurred in the judgment.

ORDER

¶ 1 *Held:* Parties did not have an enforceable written contract; trial court properly applied credits due to defendants; rate of prejudgment interest was proper; affirmed.

¶ 2 Following a bench trial, the trial court entered judgment for plaintiff, Musa P. Tadros, on his claims for breach of contract and unjust enrichment against defendants, Charles S. Cebula, Automatic Fire Controls, Inc. (AFC), and Fire Systems Holdings, Inc. (FSH). The trial court

denied Tadros's claims for an accounting, a shareholder action under section 12.56 of the Business Corporation Act (805 ILCS 5/12.56 (West 2012)), and for a declaratory judgment that Tadros was a 50% owner of AFC and FSH and was entitled to 50% of all profits earned by those entities. On appeal, Tadros contends that the parties entered into an enforceable written contract that entitles Tadros to a 50% interest in AFC and that the trial court incorrectly calculated Tadros's damages. Defendants cross-appeal, asserting that the trial court improperly applied certain credits and applied an incorrect rate for prejudgment interest. We affirm.

¶ 3 On December 10, 2014, Tadros filed a verified first amended complaint that asserted claims related to money that Tadros had advanced to defendants and stated as follows. Cebula was president of FSH and AFC. FSH was the parent corporation of AFC, which provided fire alarm and suppression system design, installation, inspections, and maintenance. In November 2005, Cebula solicited a loan from Tadros. To induce Tadros to make the loan, Cebula made a series of promises that were summarized in a document attached to the complaint entitled "Agreement Outline." Tadros agreed to loan money to pay off certain outstanding debts, purchase supplies, and provide various other services over the next several years. In August 2009, Tadros learned that Cebula was wrongfully diverting funds and demanded that defendants repay the loan. According to Tadros, defendants breached the parties' agreement by failing to make required monthly loan payments and pay Tadros 50% of the companies' profits. Tadros sought a declaratory judgment that he was a 50% owner of AFC and FSH and was entitled to 50% of all profits earned by the two companies. Tadros also asserted claims for an accounting, breach of contract, unjust enrichment, and a shareholder action under section 12.56 of the Business Corporation Act (805 ILCS 5/12.56 (West 2012)).

¶ 4 At the ensuing bench trial, Tadros testified that he worked as a real estate developer and further stated as follows. Tadros lived near Cebula and would occasionally see him at social functions. In October 2005, Cebula asked to meet to discuss business issues. Cebula later revealed that he was in financial trouble and asked if Tadros knew anyone who could lend him money. Cebula provided some financial information about AFC, whereupon Tadros concluded that AFC's liabilities totaled around \$2,930,000 and AFC's assets totaled around \$1,367,000. Tadros believed he could help Cebula and advanced him money. Also, Cebula would call Tadros with various needs and Tadros would record the expenses when he remembered it or when he came across a receipt. Tadros started a document in November 2005 that contained a running total of the money he put into AFC, although it was not intended to be a comprehensive ledger. Tadros believed that the money he advanced was a loan to be paid back at 10% interest, in addition to Tadros receiving 50% of the business, 50% of the building occupied by AFC, and 50% of the stock. The frequency of the payments on the loan was left open because it was unknown when AFC would be profitable. Tadros received "random checks over maybe a three-year period," and assumed they were his portion of profit distributions. However, AFC's note payable ledger showed these checks as payments against Tadros's loan. Tadros estimated that by January 18, 2006, he had expended around \$400,000 or \$450,000.

¶ 5 Tadros testified that after he and Cebula reached an oral agreement, Cebula prepared and signed the Agreement Outline, which was the parties' agreement. Dated January 18, 2006, the Agreement Outline stated that it was "an outline of the term of agreement between Musa Tadros and Charles Cebula relative to investments made by Musa Tadros in Automatic Fire Controls, Inc. and for future investments in the company" and further provided as follows:

"1. Transfer of 50% of Stock: Charles Cebula shall, upon the instruction of Musa

Tadros, cause to be transferred 50% of his stock interest in Automatic Fire Controls, Inc. (or Fire Systems Holdings, Inc.) as directed by Musa Tadros and delivered to such person(s) as directed by Musa Tadros.

2. Stock Power: Charles Cebula has delivered to Musa Tadros an irrevocable Stock Power and stock certificate #001, representing his 1,000 authorized and issued shares to secure the transfer of the stock as specified in paragraph 1.

3. Stock Representation: That stock #001 represents all of the issued and outstanding shares of stock of Fire Systems Holdings, Inc.

4. Mortgage: Charles Cebula will cause to be issued to Musa Tadros, within ten (10) days, a mortgage on his residence located at 995 Ironwood Drive, Frankfort, Illinois, signed by all persons in title to the property as further security for Musa Tadros's investments in Automatic Fire Controls, Inc.

5. Charles Cebula Income: Charles Cebula has reduced his salary/income received from Automatic Fire Controls, Inc. from \$135,000.00 to \$120,000.00 and shall continue to receive this reduced amount until such time as agreed to by the parties.

6. Operation of Business: Charles S. Cebula shall continue to operate the business of Automatic Fire Controls, Inc. in the ordinary course. Further, no outlays or expenses, outside of the ordinary course of business, shall be made with the consultation of Musa Tadros. This shall include, but not be limited to, bonuses, extraordinary equipment purchases raises or salary increases for any employees of the company.

7. Transfer of 50% Interest in Real Estate: Charles Cebula is currently the owner of a 100% interest in real property commonly known as 130 Armory Drive, South Holland, Illinois, on which property, Automatic Fire Controls, Inc. conducts its business. Upon the direction of Musa Tadros, Charles Cebula shall cause to be executed a deed, in form acceptable to Musa Tadros, conveying an undivided one-half (1/2) interest in the property to Musa Tadros, or such party(s) as he designates.”

After Cebula sent over the Agreement Outline, Cebula asked if there were any changes. Tadros replied that the document was fine.

¶ 6 Tadros testified about the list of provisions in the Agreement Outline. Explaining the AFC stock transfer provision, Tadros stated that at the time, he did not want to be a shareholder in AFC due to unresolved IRS issues for which he would be liable if he were an owner of the company. A mortgage on Cebula’s home dated January 3, 2006, was admitted into evidence. According to Tadros, the mortgage was for \$450,000 to represent what Tadros had already extended to Cebula and indicated a 10% yearly interest rate because that was the parties’ agreed-upon rate. The mortgage was dated before the date of the Agreement Outline because Cebula was acknowledging existing indebtedness to Tadros. As for the provision referring to the property occupied by AFC at 130 Armory Drive in South Holland (the South Holland property), Tadros stated that he ultimately received a deed for 100% of the property because that was a better arrangement for appealing property taxes.

¶ 7 Tadros conceded that the Agreement Outline was not a complete agreement because it did not cover everything and was a one-page document. Tadros acknowledged that the Agreement Outline did not include interest, but stated that the interest rate was in the mortgage.

Tadros did not think he needed a more comprehensive agreement because “[t]his was our understanding, and I trusted him.” Tadros also stated that the Agreement Outline was not a loan agreement. Tadros had a handwritten note from Cebula stating that monthly payments on Tadros’s loan would begin in May 2006, with “10% simple interest as of 5/1/06 on outstanding money.” However, there had not been enough money for monthly payments to begin in May 2006.

¶ 8 Tadros discussed services he provided to AFC other than his loan. Tadros tried to foster good relationships with vendors, spruced up the property, and reduced taxes, the phone bills, and AFC’s insurance bill. Tadros also negotiated with one of AFC’s creditors to reduce a \$700,000 debt to \$285,000.

¶ 9 Tadros had a falling out with Cebula in summer 2009 about expenditures that were not company expenses. Tadros and Cebula met on August 11, 2009, and Cebula gave Tadros “a letter to buy [Tadros] out.” That letter, dated August 19, 2009, and signed by Cebula, stated that Cebula “proposed that [he] would buy out [Tadros’s] interest/loans in AFC.” The letter stated in part that Tadros was seeking \$600,000 plus 10% annual interest. Tadros found the letter unacceptable because it did not include interest or give Tadros profits or anything for the work he had done for three years to make AFC profitable.

¶ 10 Cebula testified that he owned AFC and was a director and its president. Cebula further stated as follows. In October 2005, AFC had financial problems, including about \$3 million in debt. Cebula approached Tadros for a loan because Tadros was known for having lots of money. Tadros agreed to loan Cebula money and they discussed terms, proposals, and how the loan would be repaid. In the meantime, Tadros advanced funds for various expenses, including paying a creditor and real estate taxes on the South Holland property. Yet, Tadros never committed to a

specific sum of money to lend. At one point, Cebula offered to pay 6% interest, and Tadros countered with 10% interest. Cebula maintained that Tadros never agreed to a written agreement, never claimed or asked for stock, and did not want any equity. Once Tadros realized that AFC's losses could not be split, his interest in becoming a shareholder dramatically diminished. Per an AFC ledger that was printed for the litigation, Tadros ultimately loaned around \$503,000, though Cebula did not know if that amount was accurate.

¶ 11 According to Cebula, the Agreement Outline “[outlined] some of the terms of the proposed agreement, but not all of them.” Not all of the material terms were included because the Agreement Outline was “more talking points or discussions on *** how to move this forward and set up an arrangement for [Tadros] to be paid.” Cebula signed the Agreement Outline “[t]he same way [he] would sign a letter.” When Cebula wrote the Agreement Outline, he “had no idea what [Tadros] was ultimately willing to invest or loan to AFC.” Cebula used the phrase “future investments in the company” because Tadros had not committed to an amount to invest.

¶ 12 The Agreement Outline's provisions represented what Cebula was willing to do if Tadros committed to a necessary amount of money to invest or loan to AFC. The provision about transferring AFC stock reflected that Cebula was waiting for Tadros to tell him what he wanted out of the agreement. Although Tadros made it clear that he wanted the funds he advanced to be loans, the AFC stock transfer was an attempt to “come up with something that we could resolve to get his loan agreement in place and to get payments to him.” As for the FSH stock referenced in the Agreement Outline, Cebula explained that he signed a stock certificate on the same day the Agreement Outline was signed as an attempt “to show good faith in trying to move this matter forward, and process the loans that had been made, and to get additional loans that were still needed.” The mortgage on Cebula's residence was supposed to be collateral for Tadros's loans.

However, Cebula denied that the January 3, 2006, mortgage was the mortgage referenced in the Agreement Outline. Cebula explained that the January 3, 2006, mortgage was intended to provide Tadros with security and comfort so that Tadros would make additional loans. As for the provision about Cebula's salary, Cebula admitted that between 2006 and 2009, his salary was limited to \$120,000. Discussing the provision about the South Holland property, Cebula stated that Tadros had wanted the entire property, which Cebula deeded to him on January 3, 2006, as payment for money that had already been loaned. Cebula added more details about the South Holland property, stating that in 2005, Tadros advanced around \$65,000 for property taxes and AFC paid the taxes thereafter. Cebula also noted that in 2005, the South Holland property had been appraised at \$470,000 and had a mortgage for around \$1.3 million. The mortgage on the property was paid off in February 2014. AFC occupied the property until November 2013. Until then, AFC paid Cebula around \$4,000 per month in rent. AFC also paid the insurance, taxes, and maintenance on the building.

¶ 13 Cebula further stated that he did not ask Tadros to sign the Agreement Outline and the parties continued to negotiate after January 18, 2006. After that date, Cebula stopped submitting written proposals to Tadros because he was tired of drafting documents that Tadros would ignore. They continued to negotiate and discuss the terms of the agreement. However, Cebula and Tadros never reached an agreement.

¶ 14 Cebula also testified about a letter that he sent to Tadros dated August 19, 2009, in which Cebula stated that he proposed that he would "buy out [Tadros's] interest/loans in AFC." Cebula used the phrase "interest/loans" because he assumed that Tadros was seeking interest on his loans.

¶ 15 As part of the trial, each party also presented the testimony of a real estate appraiser to establish the value of the South Holland property. Tadros's appraiser, Steve Albert, stated that the value of the property was \$310,000 as of January 1, 2006, and \$290,000 as of May 1, 2014. Albert's prepared report was entered into evidence. Defendants' appraiser, Robert Gorman, stated that as of January 3, 2006, the South Holland property was worth \$375,000. Gorman was not asked to appraise the property as of 2014. Gorman further stated that one of the sales comparison properties used by Tadros's appraiser did not exist, as the sale that took place was for vacant land. Gorman's prepared report was entered into evidence.

¶ 16 In his closing argument, Tadros's counsel contended in part that the Agreement Outline was enforceable and memorialized an oral agreement. In contrast, defendants' counsel asserted in closing that the Agreement Outline was incomplete. He conceded that the money Tadros advanced was a loan. Defendants' counsel further stated that the mortgage was not the loan agreement. Defendants' counsel also maintained that the South Holland property had to be credited as a payment.

¶ 17 Ultimately, the court entered judgment for Tadros on the claims for breach of contract and unjust enrichment, awarding him \$765,459.47. The court rejected Tadros's claims for an accounting, a shareholder action, and a declaratory judgment that he was a 50% owner of AFC and FSH. In an oral ruling, the court found that the Agreement Outline was incomplete and not a written contract. The court further stated that the testimony about the transfer of 50% of the stock was conflicting and the documents were also conflicting. The court also found that the money given to defendants was not a gift and the parties had an oral contract. The principal amount owed was \$557,882.17, which was to be repaid at 10% simple interest. The court noted that

while defendants argued for a 6% interest rate, Tadros always maintained that the interest rate was 10% and Cebula signed a mortgage that included a 10% interest rate.

¶ 18 The court stated that defendants should be credited for the value of the South Holland property, which was \$375,000, “based on the two appraisers and their reasoning.” The court also credited defendants for \$85,000 in payments. The court noted that the judgment was against Cebula individually and the corporation and found that Cebula was acting in his individual capacity when he entered into the agreements at issue.

¶ 19 Defendants’ counsel asked whether the court applied the credits after interest was calculated. The court stated that the timing of the payments was such that the credits were applied after interest, rather than applied to principal. The court added that:

“Even the value of the building *** we had the issue with the \$1.3 million mortgage. But we also had the issue, one of these somewhat inexplicable things in this case, that the defendant retained all of the benefit of the building, possession, did pay the taxes, paid rent to himself. And so in my mind, even though the plaintiff owned it, he did not get the benefit until *** the defendant moved out ***.”

The court continued that since Cebula moved out in November 2013, “I’m applying it to the interest because the outstanding interest was so great ***.” The court also clarified that the judgment included the amount of the mortgage on Cebula’s home and the mortgage was not an additional debt.

¶ 20 Tadros subsequently appealed and defendants cross-appealed.

¶ 21

II. ANALYSIS

¶ 22 On appeal, Tadros contends that the Agreement Outline was an enforceable written contract, and so the trial court should have enforced the provision that Tadros receive 50% of AFC's stock. Tadros asserts that the Agreement Outline contained the material terms of the parties' agreement and the language of the Agreement Outline was clear and concise. Tadros further argues that he and Cebula performed under the terms of the Agreement Outline, which constituted acceptance.

¶ 23 The elements of an enforceable contract include: (1) offer and acceptance; (2) definite and certain terms; (3) consideration; and (4) performance of all required conditions. *Tower Investors, LLC v. 111 East Chestnut Consultants, Inc.*, 371 Ill. App. 3d 1019, 1027 (2007). A court's principal goal in construing a contract is to ascertain and give effect to the parties' intent when they entered the contract. *Meyer v. Marilyn Miglin, Inc.*, 273 Ill. App. 3d 882, 888 (1995). There must be mutual assent by the parties on the essential elements of the alleged contract. *Id.* Whether a contract exists, its terms, and the parties' intent are questions of fact to be determined by the trier of fact. *Hedlund & Hanley, LLC v. Board of Trustees of Community College District No. 508*, 376 Ill. App. 3d 200, 205 (2007). We will not reverse the trial court's findings of fact unless they are against the manifest weight of the evidence. *Id.* "A finding is against the manifest weight of the evidence only if the opposite conclusion is clearly evident or if the finding itself is unreasonable, arbitrary, or not based on the evidence presented." *Best v. Best*, 223 Ill. 2d 342, 350 (2006). We defer to the trial court as the finder of fact because it is in the best position to observe the conduct and demeanor of the parties and witnesses. *Id.* Further, we will not substitute our judgment for that of the trial court regarding the credibility of the witnesses, the weight to be given to the evidence, or the inferences to be drawn. *Id.* at 350-51.

¶ 24 A consideration in contract interpretation is whether the terms are ambiguous—that is, whether “the language used is susceptible to more than one meaning or is obscure in meaning through indefiniteness of expression” (Internal quotation marks omitted.) (*Meyer*, 273 Ill. App. 3d at 888). If the language of the writing is ambiguous, parol evidence is admissible to explain and ascertain what the parties intended. *Quake Construction, Inc. v. American Airlines, Inc.*, 181 Ill. App. 3d 908, 913 (1989).

¶ 25 Here, the trial court properly considered parol evidence because the language of the Agreement Outline is ambiguous. The Agreement Outline stated that it is an “outline of the term of agreement” between Tadros and Cebula “relative to investments” made by Tadros in AFC and “for future investments in the company.” The Agreement Outline does not make clear what Tadros committed to do and whether the Agreement Outline was intended to be the parties’ final agreement. Further, based on the parol evidence presented at trial, it was reasonable for the trial court to conclude that Tadros and Cebula did not both intend that the Agreement Outline was a final agreement. Cebula testified that Tadros never agreed to a written contract. Cebula characterized the Agreement Outline as “talking points” to help resolve the terms of Tadros’s loans. When the Agreement Outline was drafted, Cebula “had no idea” what Tadros was willing to invest or loan. Also, according to Cebula, Tadros did not want stock and the AFC stock transfer was an effort to “come up with something.” Cebula further stated that discussions continued after he signed the Agreement Outline, though Cebula stopped submitting written proposals. Meanwhile, Tadros’s position at trial was that the Agreement Outline was the parties’ agreement. He maintained that he was supposed to own 50% of the stock. Yet, Tadros stated that at the time of the Agreement Outline, he did not want to be a shareholder. Tadros also conceded that the Agreement Outline was incomplete.

¶ 26 As the trial court noted, the testimony about stock ownership was conflicting, with Tadros believing that he was to own 50% of the company, and Cebula recalling that Tadros never wanted stock. Further, there was ample evidence that the parties did not intend for the Agreement Outline to serve as an enforceable contract, where even Tadros conceded the document was incomplete and Cebula described it as “talking points.” The trial court credited Cebula’s version of the negotiation process and we will not disturb its conclusion, given the evidence. See *Best*, 223 Ill. 2d at 350-51 (reviewing court will not substitute its judgment for that of the trial court on the witnesses’ credibility or the weight to be given the evidence). Moreover, “[a] distinction must be drawn between preliminary negotiations toward an agreement and the actual existence of a final contract.” *Leekha v. Wentcher*, 224 Ill. App. 3d 342, 349 (1991). The evidence indicates that the Agreement Outline was just a step in the negotiation process.

¶ 27 Further, the Agreement Outline is missing key information, which puts it at odds with the principle that “[t]he essential terms of a contract must be definite and certain in order for a contract to be enforceable.” *Midland Hotel Corp. v. Reuben H. Donnelley Corp.*, 118 Ill. 2d 306, 314 (1987). The Agreement Outline does not indicate what exactly Tadros agreed to do, other than make “future investments.” The parties’ testimony did not clarify the meaning of this phrase, and notably, Cebula testified that Tadros never committed to lend a specific amount. If the essential terms are so uncertain that there is no basis for deciding whether the agreement has been kept or broken, there is no contract. *Champaign National Bank v. Landers Seed Co.*, 165 Ill. App. 3d 1090, 1093 (1988) (citing Restatement (Second) of Contracts, § 33 (1981)). Because its terms are too indefinite, the Agreement Outline is not an enforceable written contract.

¶ 28 Moreover, although the conduct of the contracting parties can indicate agreement to the terms of the alleged contract (*Midland Hotel Corp.*, 118 Ill. 2d at 313-14), Cebula’s conduct did

not necessarily meet that standard. While some of Cebula's actions could be consistent with agreeing to the Agreement Outline's provisions, such as issuing the FSH stock certificate and reducing his salary, other conduct was not. Cebula stated that after the Agreement Outline was signed, he and Tadros continued to discuss the terms of an agreement. Additionally, the mortgage on Cebula's home was issued 15 days before the Agreement Outline was signed, while the Agreement Outline states that Cebula would issue the mortgage within 10 days. Cebula also testified that the January 3, 2006, mortgage was not the mortgage referenced in the Agreement Outline. It was up to the trial court to weigh and draw inferences from the evidence (*Best*, 223 Ill. 2d at 350-51), as well as decipher contradicting evidence (*Bernstein & Grazian, P.C. v. Grazian & Volpe, P.C.*, 402 Ill. App. 3d 961, 976 (2010)). The evidence conflicted, but it was not unreasonable for the trial court to conclude that the parties' conduct did not indicate that they both agreed to the terms of the Agreement Outline. The Agreement Outline was not an enforceable written contract and the trial court properly found that Tadros was not entitled to 50% of AFC's stock.

¶ 29 Next, Tadros contends that the trial court erred in awarding Cebula a \$375,000 credit for the South Holland property. Tadros asserts that the property had no value when it was tendered because of the mortgage against it. Thus, the credit should have been \$0 and the judgment awarded to Tadros should be increased by \$375,000. In the alternative, Tadros contends that the other date for determining the value of the credit for the property is May 2014, when the mortgage was paid off and released. Tadros states that the sole evidence of value on that date is Albert's appraisal for \$290,000.

¶ 30 The standard of review for an award of damages after a bench trial is whether the trial court's judgment is against the manifest weight of the evidence. *1472 North Milwaukee, Ltd. v.*

Feinerman, 2013 IL App (1st) 121191, ¶ 13. A damage award is against the manifest weight of the evidence only where it is apparent that the trial court ignored the evidence or that its measure of damages was erroneous as a matter of law. *Doornbos Heating & Air Conditioning, Inc. v. James D. Schlenker, M.D., S.C.*, 403 Ill. App. 3d 468, 485 (2010). As noted above, we defer to the trial court as the finder of fact because it is in the best position to observe the conduct and demeanor of the parties and witnesses. *Best*, 223 Ill. 2d at 350.

¶ 31 To review, Cebula deeded the South Holland property to Tadros in January 2006. When the property was transferred, it was encumbered with a \$1.3 million mortgage, which was paid off in February 2014. Tadros's appraiser, Albert, testified that the value of the property as of January 1, 2006, was \$310,000, and as of May 1, 2014, the value was \$290,000. Meanwhile, Cebula's appraiser, Robert Gorman, testified that as of January 3, 2006, the property had a value of \$375,000. Gorman was not asked to appraise the value of the property in 2014. Ultimately, the trial court awarded a credit of \$375,000 "based on the two appraisers and their reasoning."

¶ 32 The trial court apparently found Gorman's appraisal to be more accurate and we have no basis for rejecting that finding, especially in light of the shortcomings of Albert's appraisal that Gorman identified. The trial court is responsible for resolving factual disputes and judging the credibility of the witnesses. *Bernstein & Grazian, P.C.*, 402 Ill. App. 3d at 976. Further, the trial court was aware of the mortgage on the property that existed in 2006, stating in its ruling that "we had the issue with the \$1.3 million mortgage." The trial court did not ignore the evidence and Tadros has not shown that the trial court erred as a matter of law. We also note that the credit for the property was not applied until after the mortgage was paid off.

¶ 33 We are not persuaded by Tadros's reliance on *Gamble v. People*, 117 Ill. App. 3d 784 (1983). There, a widow had sought to deduct the full amount of a property's unpaid real estate

taxes, which were a lien, from the gross fair market value of all real estate in the decedent's estate. *Id.* at 786. The court found that the amount of the lien greater than the value of the property could not be used to reduce the value of other estate assets. *Id.* Tadros points to the court's statement that the value of an asset with a lien could be reduced only to zero value (*id.*), but he overstates the significance of that statement. The court was not announcing a rule about how to value real estate. *Gamble* was resolving an entirely different scenario that does not apply here. Overall, the amount of credit for the South Holland property was not against the manifest weight of the evidence.

¶ 34 Turning to defendants' cross-appeal, defendants contend that the credit for the South Holland property should have been applied when title transferred and the tenancy started, rather than after interest was calculated. Defendants also argue that the trial court incorrectly concluded that Tadros did not get the benefit of the property until AFC moved out. Defendants assert that Cebula paid the taxes and insurance on the property. Moreover, the court included the cost of improvements made to the property as part of the judgment awarded to Tadros.

¶ 35 Tadros asserts that defendants did not preserve this issue. At trial, defendants' counsel asked if the court was applying credits after it computed interest, and the court confirmed that it was. Forfeiture concerns aside, we find no error in the trial court's decision to apply the credit after interest was calculated.

¶ 36 In its ruling, the trial court stated in part that credit for the South Holland property was applied after interest because Cebula retained the benefits of the property until he moved out. The court noted that before moving out, Cebula paid the taxes, possessed the property, and paid rent to himself. Based on the testimony, the trial court's finding that Tadros did not receive the benefit of the property until 2013 was not against the manifest weight of the evidence, where

AFC was paying \$4,000 per month to Cebula. The trial court's ruling indicates that it considered who was paying various expenses between 2006 and 2013, and its conclusion was not arbitrary. Further, Cebula has not cited any cases in support of his contention that the credit for the South Holland property should have been applied when the title transferred. See Ill. S. Ct. R. 341(h)(7) (eff. Nov. 1, 2017) (argument shall contain the appellant's contentions "with the citation of the authorities and the pages of the record relied on"). The trial court's decision to apply the credit for the South Holland property after interest was not against the manifest weight of the evidence.

¶ 37 Defendants also contend that there was no basis to delay the application of credit for \$85,000 in payments. Because defendants do not offer further argument or cite any authority in support, this argument is forfeited. See *Weidner v. Szostek*, 245 Ill. App. 3d 487, 494 ("bare contentions without argument or citation of authority do not merit consideration on appeal").

¶ 38 Defendants next contend that there was no enforceable oral agreement. Defendants argue in addition to the Agreement Outline not being a binding written agreement, there was also no binding oral agreement. Thus, Tadros was not entitled to be treated as a shareholder.

¶ 39 Tadros seems to interpret defendants' argument as challenging the trial court's ruling that the parties had an oral contract for a loan. We do not read defendants' argument that way. Still, for the sake of completeness, we note that defendants did not raise a challenge in their notice of cross-appeal to the trial court's judgment in favor of Tadros on the breach of contract or unjust enrichment counts, and so we will not address those aspects of the judgment. See *Burrge v. Industrial Comm'n*, 169 Ill. App. 3d 670, 677 (1988) ("[w]hen a decision contains a specific finding adverse to an appellee, the appellee must file a cross-appeal raising as an issue that adverse finding"). Further, to the extent that defendants contend that there was no oral agreement

for the transfer of stock, we note that Tadros does not argue that there was such an agreement, and so we will not address that matter either.

¶ 40 Defendants also assert that Tadros advocates for legally inconsistent results, in that he seeks to retain the award for unjust enrichment and states there was an enforceable written contract between the parties. Because we found there was no enforceable written contract, we do not need to address this issue. See *In re Carol B.*, 2017 IL App (4th) 160604, ¶ 45 (generally, courts do not decide moot questions or render advisory opinions).

¶ 41 Lastly, defendants contend that the award of prejudgment interest was incorrect. Defendants assert that Tadros was not entitled to prejudgment interest because the amount due was uncertain and there was no certain date for payment. Defendants further argue that if prejudgment interest was merited, the interest rate should be bifurcated: a 10% rate for up to \$450,000 based on the mortgage on Cebula's home, and a 5% rate based on the Interest Act (815 ILCS 205/2 (West 2012)) for amounts in excess of \$450,000.

¶ 42 We note that below, defendants did not argue for the bifurcated interest rate they now seek, although defendants' cross-appeal seeks reversal of the 10% interest rate. Nonetheless, their argument is meritless. Prejudgment interest is recoverable where authorized by the parties' agreement or by statute. *Tri-G, Inc. v. Burke, Bosselman & Weaver*, 222 Ill. 2d 218, 255 (2006). Here, the trial court found that the parties had an oral contract for a loan—a finding that defendants do not challenge on appeal. The trial court did not state that the mortgage was the loan, and moreover, defendants' counsel asserted in closing that the mortgage was not the loan agreement. The loan was based on all funds that Tadros advanced, which was found to be approximately \$557,000, and the 10% interest rate that applied to that total amount was based on the evidence. Tadros testified that he was entitled to 10% interest on the funds he advanced. A

handwritten note from Cebula that was entered into evidence noted that money was to be repaid at 10% interest. Cebula testified at trial that he had offered to pay 6% interest, but the trial court credited Tadros's testimony on the interest rate, which it was entitled to do. See *Best*, 223 Ill. 2d at 350 (we defer to the trial court as the finder of fact). The 10% interest rate for all funds loaned was based on the parties' oral agreement and the 5% rate in the Interest Act does not apply.

¶ 43 For the foregoing reasons, the judgment of the circuit court is affirmed.

¶ 44 Affirmed.