

Suncoast Funding Group v Mendoza

2025 NY Slip Op 34275(U)

November 5, 2025

Supreme Court, Kings County

Docket Number: Index No. 506539/2025

Judge: Reginald A. Boddie

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At an IAS Commercial Part 12 of the Supreme Court of the State of New York, held in and for the County of Kings, at the Courthouse, located at 360 Adams Street, Borough of Brooklyn, City and State of New York on the 5th day of November 2025.

P R E S E N T:
Honorable Reginald A. Boddie
Justice, Supreme Court

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SUNCOAST FUNDING GROUP,

Plaintiff,

Index No. 506539/2025

-against-

Cal. No. 23 MS 1

BALTAZAR BAROCIO MENDOZA D/B/A MERCED
AUTO WORLD, and BALTAZAR BAROCIO
MENDOZA,

Defendants.

Order

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The following e-filed papers read herein:

NYSCEF Doc Nos.

MS 1

8-20

Plaintiff's unopposed motion for summary judgment is decided as follows:

This action arises out of defendants' alleged breach of a receivables purchase agreement and personal guaranty dated December 11, 2024 (collectively, the "Agreement"), pursuant to which plaintiff purchased \$112,425 of future receivables. Plaintiff alleges that on February 6, 2025, defendants breached the agreement by changing bank accounts or otherwise blocking ACH debits, thereby defaulting.

Plaintiff moves under CPLR 3212 for summary judgment against defendants, jointly and severally, for \$114,430.00 plus 9% statutory interest from February 6, 2025, together with a \$10,000 contractual default fee, reasonable attorneys' fees, costs and disbursements. Plaintiff

argues that it made a prima facie showing of breach: a December 2024 receivables-purchase agreement and guaranty were formed; plaintiff performed by funding \$70,000; Defendants defaulted on February 6, 2025 by interfering with ACH debits, leaving \$104,430 in undelivered receivables plus the default fee. Plaintiff further contends that the guaranty is absolute and enforceable, the usury defense fails because the transaction is a purchase of future receivables, not a loan, given the mandatory reconciliation right, absence of a finite term, and bankruptcy not constituting an event of default, and that the remaining affirmative defenses are conclusory, unsupported by the evidence, and at odds with documentary evidence.

By Order dated September 25, 2025, the court adjourned the instant motion to October 30, 2025 (NYSCEF Doc No. 22) to afford defendants additional time to submit opposition papers. As of the date of this Decision and Order, no opposition has been filed.

It is well established that summary judgment is granted when “the proponent makes a prima facie showing of entitlement to judgment as a matter of law, tendering sufficient evidence to demonstrate the absence of any material issues of fact, and the opponent fails to rebut that showing” (*Brandy B. v Eden Cent. School Dist.*, 15 NY3d 297, 302 [2010] [citation omitted]). Once the proponent has made a prima facie showing, the burden then shifts to the motion’s opponent to present evidentiary facts in admissible form sufficient to raise a genuine, triable issue of fact (*Zuckerman v City of New York*, 49 NY2d 557, 562 [1980]). If there is any doubt as to the existence of a triable fact, the motion for summary judgment must be denied (*Rotuba Extruders v Ceppos*, 46 NY2d 223, 231 [1978]). Upon a motion for summary judgment, the court’s function is one of issue finding rather than issue determination (*Sillman v Twentieth Century-Fox Film Corp.*, 3 NY2d 395, 404 [1957]). “It is not the function of a court . . . to make credibility determinations or findings of fact, but rather to identify material triable issues of fact (or point to the lack thereof)” (*Vega v Restani Constr. Corp.*, 18 NY3d 499, 505 [2012] [citation omitted]).

In the present action, plaintiff has made a prima facie showing of entitlement to judgment as a matter of law. The documents of record, including the executed Agreement, wire confirmation and remittance history, establish the existence of a valid receivables purchase agreement and guaranty, plaintiff's full performance thereunder by funding \$70,000, defendants' default on February 6, 2025 by interfering with plaintiff's ACH debits, and the resulting balance of \$114,430. Defendants have not submitted opposition or otherwise raised any triable issue of fact.

"The rudimentary element of usury is the existence of a loan or forbearance of money, and where there is no loan, there can be no usury, however unconscionable the contract may be" (*Principis Capital, LLC v I Do, Inc.*, 201 AD3d 752, 754 [2d Dept 2022] [citation omitted]). "To determine whether a transaction constitutes a usurious loan: [t]he court must examine whether the plaintiff is absolutely entitled to repayment under all circumstances" (*id.* [internal quotation marks omitted]). "Unless a principal sum advanced is repayable absolutely, the transaction is not a loan" (*id.*). "Usually, courts weigh three factors when determining whether repayment is absolute or contingent: (1) whether there is a reconciliation provision in the agreement; (2) whether the agreement has a finite term; and (3) whether there is any recourse should the merchant declare bankruptcy" (*id.*).

Here, the documentary evidence establishes that the Agreement is a purchase and sale of future receivables, not a loan subject to usury statutes, as (i) repayment was contingent on defendants' generation of future receivables, (ii) the Agreement contains a mandatory reconciliation provision, (iii) the Agreement lacks a finite term and (iv) the Agreement expressly provides that bankruptcy does not constitute a default event. Plaintiff has also shown that the personal guaranty is absolute and unconditional, rendering the guarantor jointly and severally liable for the merchant's default. Defendants' affirmative defenses are conclusory, unsupported by admissible evidence and contradicted by the record.

Accordingly, plaintiff's unopposed motion for summary judgment is granted in favor of plaintiff Suncoast Funding Group and against defendants Baltazar Barocio Mendoza d/b/a Merced Auto World and Baltazar Barocio Mendoza, jointly and severally, in the principal sum of \$114,430.00, together with statutory interest at nine percent (9%) per annum from February 6, 2025, and the contractual default fee of \$10,000.00. Plaintiff shall, within twenty (20) days of entry of this Decision and Order, file a proposed judgment along with an attorney affirmation and detailed breakdown supporting the amount of reasonable attorneys' fees, costs, and disbursements sought, for taxation by the Clerk.

ENTER:



Honorable Reginald A. Boddie
Justice, Supreme Court

HON. REGINALD A. BODDIE
J.S.C.