

EXHIBIT E

**IN SUPPORT OF
PLAINTIFF'S MEMORANDUM IN SUPPORT OF ITS EMERGENCY MOTION FOR A
TEMPORARY RESTRAINING ORDER TO PREVENT VIOLATIONS OF THE FEDERAL
SECURITIESD LAWS, TO APPOINT A RECEIVER, AND PROVIDE FOR OTHER
ANCILLARY RELIEF**

DECLARATION OF JO ANN MCGARRY

1. My name is Jo Ann McGarry. I am 53 years old and live in Western Springs, Illinois. I have personal knowledge of the facts described in this declaration.
2. I graduated from the University of Illinois with a Bachelor of Science degree in Business, and subsequently received a Master of Business Administration degree from DePaul University. I have been a homemaker for the last 20 years, although I began working as a substitute teacher in the spring of 2019. My husband and I have net worth over \$1 million.
3. My mother has an irrevocable trust of which I am the trustee. In 2018, there was approximately \$350,000 in the trust that was available to invest, primarily consisting of the proceeds from the sale of my mother's home. While my mother has Alzheimer's disease, at the time I believed there was a period of time that the trust could invest the funds before needing it to help for her care. My financial advisor, Jerry Schmitt, recommended that my mother's trust invest a large portion of the available funds with Northridge. As trustee, I was interested in investing in Northridge because it provided a higher return than other investments. However, before my husband and I met with anyone from Northridge, we initially decided not to invest in Northridge because real estate is not insured by the Federal Deposit Insurance Corporation ("FDIC"), and therefore we had concerns about how safe of an investment it would be.
4. I eventually decided to invest in Northridge on behalf of my mother's trust. Prior to doing so, my husband and I met Mr. Schmitt and Glenn Mueller, who owned Northridge, at Northridge's offices in Addison, Illinois on July 27, 2018. Mr. Mueller talked about his background in owning rental properties, and Northridge's ability to buy supplies and materials for maintenance and renovations of the properties in bulk, which could be done at a discount, and improving the properties to increase their value. He explained that he had been in this business

for 50 years. He also provided me with marketing material and showed me financial information about Northridge, including documents reflecting Northridge's large portfolio of real estate properties.

5. Attached hereto as Exhibit A is Northridge marketing materials provided to me and my husband by Mr. Mueller. I reviewed this marketing material and relied upon it in deciding to invest with Northridge. In particular it showed that Northridge had been in business for a long time, had a successful track record, and had many satisfied investors.

6. Attached hereto as Exhibit B is the financial information of Northridge that Mr. Mueller reviewed with me and my husband. Mr. Mueller provided this information and reviewed it with us after we inquired about the financials of Northridge. We relied upon this information in making an investment decision. It was particularly significant to me that Northridge owned 100% of the various properties, that the buildings were worth almost \$100 million, and that the properties appeared to have profitable operations. I understood the "Investor Capital" column to include only limited partnership investments, not the more conservative promissory note investments that I invested in for my mother's trust. I did not understand what was all included in the "Debt" column, including whether or not it encompassed promissory note investor debt. Had I known that over \$40 million of promissory note investor debt was not encompassed by this financial information, it would have impacted my decision to invest as it would have negatively impacted Northridge's financial situation.

7. I also reviewed this information on Northridge's website prior to investing and relied upon that information in making an investment decision.

8. Mr. Mueller also discussed the terms of the investment, which would be an investment in Northridge's portfolio of rental properties, which generated income that would be

used to pay a promised fixed interest rate on a promissory note, which was more like a Certificate of Deposit and therefore relatively safe and secure. Northridge also offered an investment in a fund that was comprised of real estate investments. However, I was interested in the more conservative promissory note investment given what I understood to be the stability and guarantee of the note.

9. Mr. Mueller indicated that there was no way I could lose my mother's investment given that it was backed by real estate, including Northridge's entire portfolio. He also stated that if I needed the invested funds sooner than the term of the promissory note, then I would be able to withdraw the funds, just at a lower interest rate.

10. Mr. Mueller also discussed how his business was helping those in need. He discussed an example regarding the Timber Lake property and how he was able to help some people get out of poverty and off drugs. This furthered my confidence in the investment as it showed that Mr. Mueller was trustworthy.

11. Based on Mr. Mueller's various representations, he alleviated my prior concerns about the investment not being FDIC insured and I viewed the investment as being a good low risk investment. Shortly after meeting with Mr. Mueller, on July 28, 2018, I decided to invest \$190,000 in a Northridge promissory note. However, only \$150,000 was available given \$40,000 had already been placed in an unrelated Certificate of Deposit. Therefore I invested \$150,000 of my mother's trust funds with Northridge. In return, I received a promissory note with a 5-year maturity and an interest rate of 6%. A copy of this promissory note, which was executed in August 2018, is attached hereto as Exhibit C.

12. While the promissory notes reference an investment with Southridge Holdings, I understood that my mother's trust was investing in Northridge. Another thing that made me feel

comfortable with the investment was the statement in the promissory note that it was legal and binding.

13. Based on what Northridge told me and my husband, I believed that all of the invested money was going toward maintaining and upgrading properties, so that they could charge higher rents and increase or keep their occupancy rates high. If I had known that the investment went to pay anything other than the maintenance or upgrading of properties, it would have been important to the investment decision. At no time did Mr. Schmitt, Mr. Mueller or anyone else at Northridge disclose to me that some of my mother's trust funds might be used to pay fees to investment advisers like Mr. Schmitt, to pay for personal expenses of Mr. Mueller and others, or for business or legal expenses unrelated to Northridge's real estate.

14. At no time did Northridge disclose to me or my husband that any portion of the funds invested with Northridge could be used to make payments to other Northridge investors. If I had known that any portion of the investment would be used to make payments to other Northridge investors, it would have made a difference to me in deciding whether I should invest or not.

15. The trust never physically received any interest payments on the Northridge investment – instead I allowed the interest payments received in late 2018 and early 2019 (approximately \$5,300) to accumulate in the account so it could earn additional interest.

16. In May 2019, after learning about an investigation of Northridge by the State of Illinois, I contacted Mr. Schmitt and asked him to withdraw my mother's trust funds from Northridge. He said he would contact Mr. Mueller and find out what was going on. Shortly thereafter I spoke to Mr. Mueller who told me that Northridge was being looked at by the State of Illinois because someone in another state did not believe that their interest rates could be as

good as they were. He assured me that there was nothing to be concerned about and that my mother's money was safe.

17. I made additional requests for the withdrawal of my funds to Anthony DeLeo at Northridge and again to Mr. Schmitt. To date I have not received any of the money back.

18. My mother's Alzheimer's disease has progressed faster than anticipated when I first invested her funds in August 2018. My mother is currently in assisted living but I have been advised to move her into a Memory Care facility, which costs a minimum of \$7,000 per month. I anticipate needing to have access to the funds invested in Northridge to help pay for my mother's care.

I declare under penalty of perjury that the foregoing is true and correct. Executed on

July 31 in 2019.


Jo Ann McGarry

EXHIBIT A

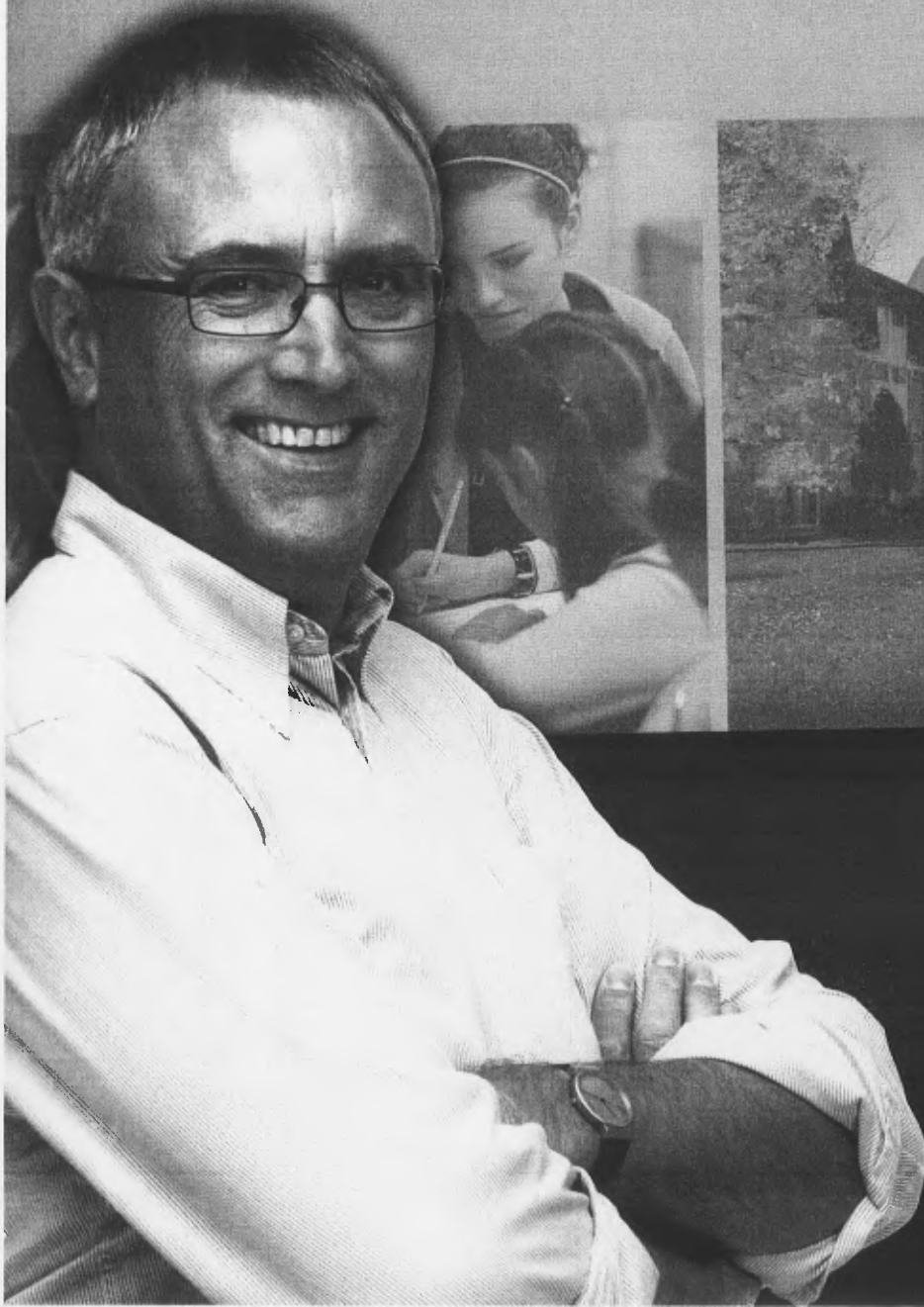
A horizontal strip of five black and white photographs. From left to right: 1. A view of a large, multi-story building with many windows, possibly a school or office building. 2. A person walking away from the camera on a paved path in a park-like setting. 3. A close-up of an older man and a young girl smiling and embracing each other. 4. A person walking on a path, similar to the second photo. 5. A close-up of a woman, a young girl, and a man all smiling together.

Intelligent Investments.
Shared Success.

Northridge Holdings:

Real Estate with a Difference

At Northridge Holdings, Ltd., we've been connecting investors with strategic real estate opportunities for nearly 40 years, consistently delivering maximum return on investment. We focus primarily on multi-unit residential properties — negotiating purchases, securing financing, and bringing investors together to form a limited partnership.



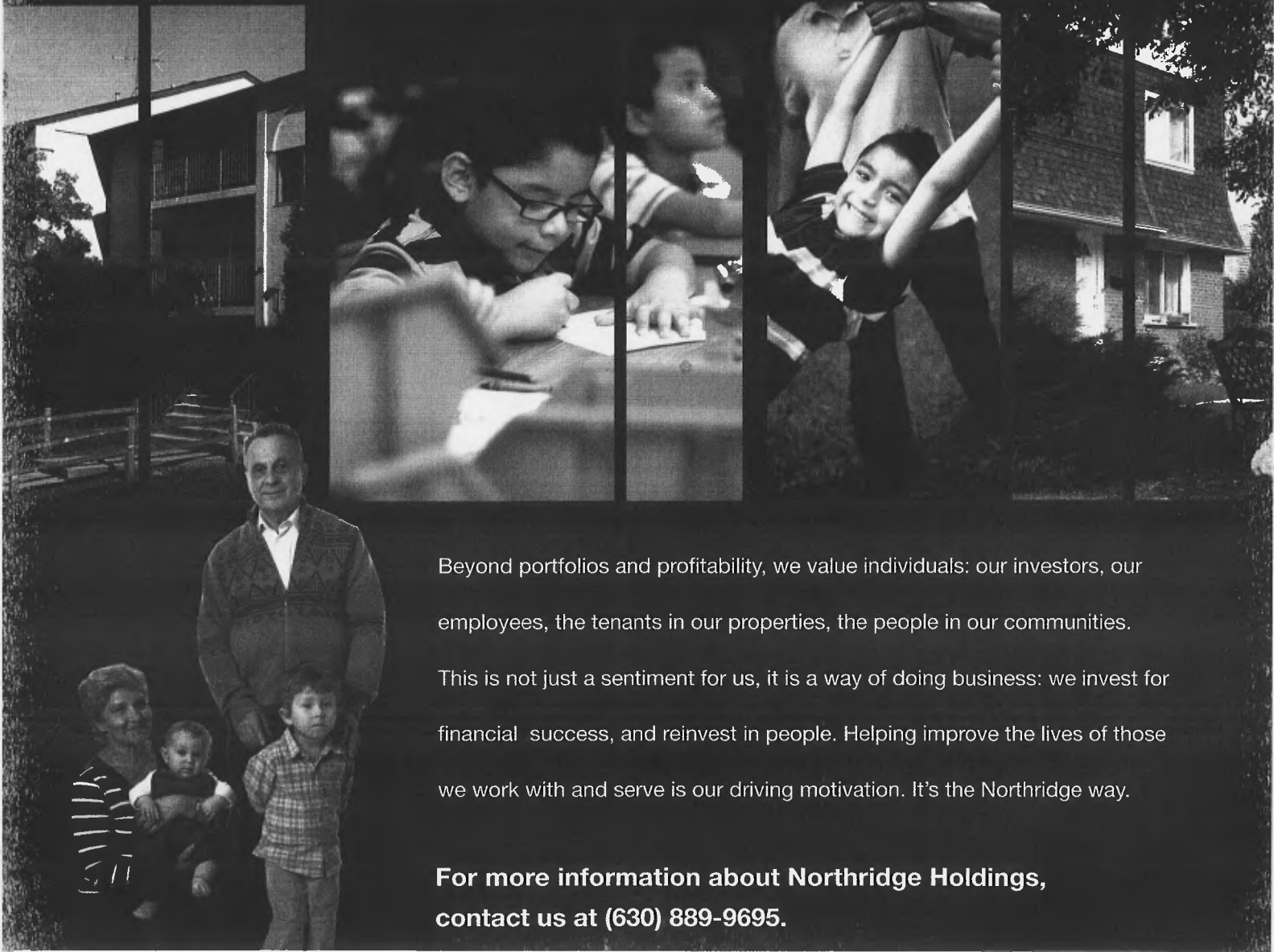
The Northridge Difference

- Deep Experience
- Discipline
- Strategic Relationships
- Flexibility
- Integrity



The Northridge Way:

Our Values and Vision



Beyond portfolios and profitability, we value individuals: our investors, our employees, the tenants in our properties, the people in our communities.

This is not just a sentiment for us, it is a way of doing business: we invest for financial success, and reinvest in people. Helping improve the lives of those we work with and serve is our driving motivation. It's the Northridge way.

**For more information about Northridge Holdings,
contact us at (630) 889-9695.**



Glenn Mueller
President

1020 W. Fullerton Ave. Suite G
Addison, IL 60101

P 630-889-9695

F 630-426-0083

C 630-802-2810

gmuel@northridgetd.com

www.northridgetd.com



Why Northridge Works:

The Northridge Difference

Not every real estate transaction is profitable. Ask any financial advisor. So how has Northridge been able to deliver high returns with such consistency? We boil our success down to a mix of these components:

Deep Experience

With nearly 40 years in the business, we have the critical ability to determine which properties have the highest potential for success. We've also made a science out of managing properties efficiently. We know how to increase rental income, lower expenses, and which improvements provide the greatest ROI.

Discipline

We have the patience to follow our guidelines when others rush ahead. Discipline means saying no to the wrong properties and refusing to short-cut our process.

Strategic Relationships

The relationships we have with banks, brokers, and subcontractors are unmatched. They give us leverage at the negotiating table and reliable efficiencies when it comes to managing properties.

Flexibility

Where other investment firms throw up roadblocks, Northridge finds solutions from liquidity of funds to the custom structuring of investments.

Integrity

This is the linch-pin to all we do. With a track record of credible money management that spans three decades, our investor retention rate speaks louder than anything we could say. As an investor, you should also know that we never sacrifice service to our tenants for the sake of squeezing out a few more bucks. We've found that long-term success comes from doing things the right way.



Northridge Holdings, Ltd. interest rates effective January 1, 2014.

Real Estate Promissory Note

Funds placed in a real estate promissory note will receive 3% per annum for 3 years or until such time as they are invested in a real estate limited partnership. We cannot guarantee a timeframe in which funds will be placed into a real estate limited partnership. Funds will be placed into a real estate limited partnership upon your review of the offering of a potential property and your written consent.

CD Loan Promissory Note

1 year-3%

2 year-4%

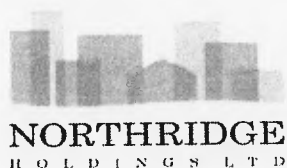
3 year-5%

4 year-5%

5 year-6%

8 year-6%

These rates are subject to change at any time without notice.



Fee Schedule & Financial Disclosure

Fee Schedule
Effective January 1, 2014

This fee schedule represents any changes initiated by our clients after the initial set up of an investment account is complete. Each initial cash or IRA account set up is offered to you free of charge.

Fee Description:	Amount of Fee
------------------	---------------

Service Fees:

Unscheduled Check Writing Fee.....	\$5.00
Outgoing wire fee.....	\$30.00
Overnight Fee.....	\$20.00

Change of Account Ownership Fees:

Initial IRA set up with preferred custodian	No charge
Change to IRA set up with preferred custodian	\$50.00 per account
Cash Promissory Note	\$40.00 per note
Limited Partner Agreement	\$40.00 per L.P.
Living Trust	\$50.00 plus \$40.00 per L.P.
Sale of L.P. to another party.....	1% of value or \$50.00 minimum per sale

These fees are being charged to cover our costs and those of our CPA to administer these services.

Financial Disclosure

The financial performance of your real estate investment is not guaranteed. Additionally, the approximate value of your real estate investment is an estimate and not a guaranteed value. This number is based on the annual income, expenses and market capitalization rate, resulting in an estimated market valuation and not the actual sale of the subject property.

Promissory notes are legal and binding. If we consent to alter the terms, a reduction of interest and penalties may be imposed. A 30 day notice is required for all payments due to the expiration date or termination of a promissory note.



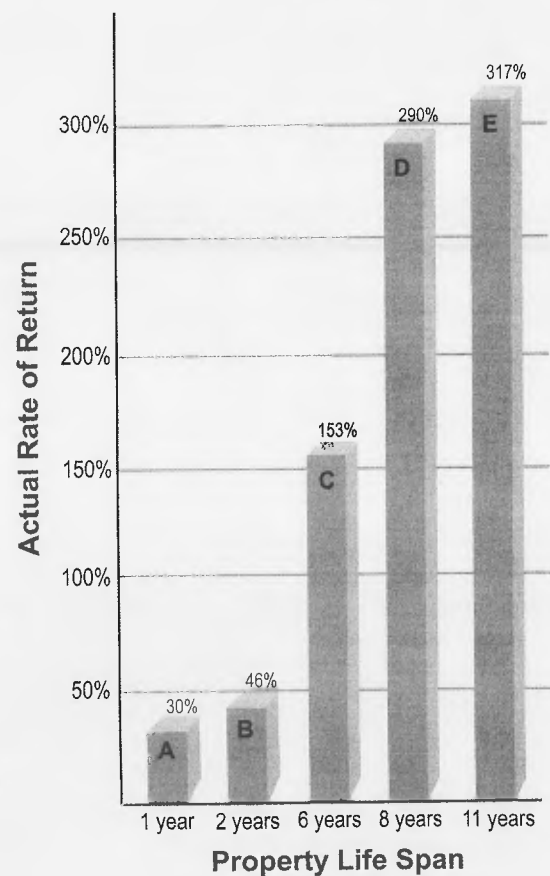
How Northridge Works:

Turning Opportunity into Profit

We start by locating the right rental property, one whose value is poised for significant increase. After making the purchase and forming a limited partnership of investors, we either convert the complex to condominiums and sell off the units individually or continue operation as a rental property, making key improvements to lower expenses and raise monthly income. When the property value reaches an optimal level, we sell it for cash or complete a 1031 exchange. With proceeds from an exchange, we can invest in additional properties while deferring capital gains tax. We can also refinance the property, allowing investors to retain property ownership while freeing up capital for reinvestment.

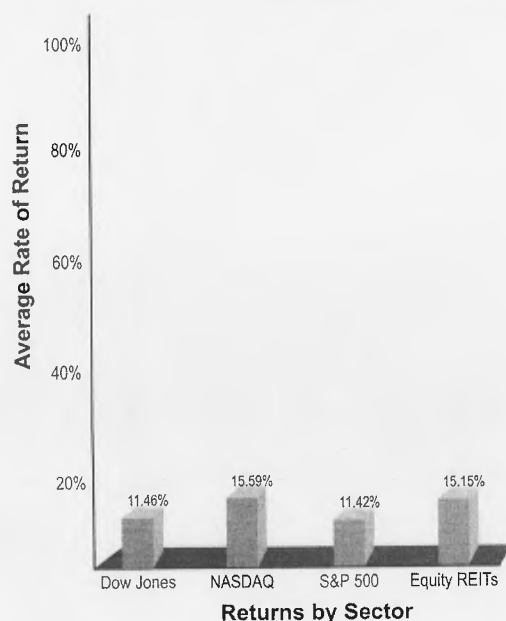
Northridge Holdings Historic Property Returns

**Returns By Property
1995-2006**



Past performance is no guarantee of future results.

**Average Market Returns
1995-2006**





What We Work For:

Investing in People and Communities

At Northridge, we invest in more than real estate. We invest in people. Sharing success is at the core of who we are. We start with our employees, empowering them to thrive in their respective roles. Then as a team, we work tirelessly to ensure our investors' financial success. Because we are always adding to property value, tenants benefit as a matter of course. We also take a proactive role in improving community safety, working closely with municipal fire and police departments.

What continues to give us great satisfaction is the way so many of our investors have carried on this commitment, reinvesting in the lives of others — from supporting orphanages in Romania to funding Christian schools and youth camps in the U.S. We are proud to be associated with these selfless individuals. We are proud to serve them. We know that investing in their success pays dividends far beyond what an accountant could measure.

Forging Stronger Communities

Our Westwood property helps kids everyday through an on-site resource center. Run in cooperation with the city of West Chicago, the center provides free bilingual tutoring and after school activities for all tenants. We also work jointly with Wheaton Bible Church to meet the needs of our tenant families, from education to employment assistance to spiritual well-being.



Timber Lake Apartments: A Business With a Heart for People

by Robert Greer

After a fire that destroyed an entire building with 24 apartment units on Nov. 6, 2012, the Timber Lake Apartments of West Chicago will be dedicating its new building within its multi-building complex this coming July (date yet to be announced).

The Timber Lake Apartments, located on the west side of Route 59 south of the Menards and north of the Aldi Store, has been the talk of West Chicago since Glenn and Cornelia Mueller of Northridge Holdings Ltd and their investors took ownership in 2007.

At the time, the apartment complex (then called the Westwood Apartments) was a major crime concern for the West Chicago Police Department, part of its dreaded red zone.

"After taking ownership," Mr. Mueller said, "we met with the police department who showed us seven pages of police calls to the apartment complex in just the previous month. The apartments, the police told us, had been a center for gang and drug activities for many years."

The Muellers changed its name to the Timber Lake Apartments and began working on its many problems. Today the complex has developed a reputation in the community for good citizenship and wholesome living, alongside an enormous reduction in crime.

How They Did It

Prior to purchasing the Timber Lake Apartments, Northridge Ltd had purchased other apartment complexes that had been poorly managed, with many problems, and therefore available for purchase at a bargain price.

The Muellers then made the apartments profitable by means of good management. A key component to their management style was to have a heart for people.

Still Timber Lake was a challenge. The largest complex that they had owned previously was 192 units. Timber Lake was 576 units. It was a larger complex with substantially larger problems. In addition, the tenants were mostly from Mexico and Iraq, meaning that the Muellers had serious language and cross-cultural barriers to overcome.

Unknown to the Muellers, in the months prior to the purchase, the Wheaton Bible Church had been in search of an apartment complex with which to invest \$100,000 for religious/community service outreach.

The church had contacted the Westwood Apartments (the previous name of Timber Lake), as well as many other apartment complexes. All owners and managers said that they were not interested.

But when the Muellers learned of this offer, they were interested. They accepted the opportunity to work together with the church through its Spanish ministry Puente del Pueblo and began a number of programs at Timber Lake, including:

- an after-school tutoring program for the children of tenants (Wheaton Bible Church hired three certified teachers to run this program)
- an after-school karate class
- an after-school fine arts class
- sports programs: baseball, soccer, and swimming.

- weekly Bible studies and prayer meetings for the needs of the tenants and the apartment complex

These programs have continued to the present day.

Officials at the Wagner Elementary School have been impressed with the noticeable academic and behavioral improvements of the students who were part of the after school tutoring program.

Jeff Walser, assistant pastor at Wheaton Bible Church, and his wife Jill, moved out of their three bedroom home (which they owned), and into one of the two bedroom apartments at Timber Lake. Their purpose was to help out in the various programs and build relationships with the tenants.

Cody and Jennifer Snouffer, from the Community Fellowship Church in West Chicago, ran the soccer program for the children and conducted weekly Bible studies at Timber Lake.

Word also got out to the Wheaton Bible Church congregation and other nearby churches, which supplied 11,000 hours of volunteer service annually to Timber Lake from 150 people.

A PERSONAL TOUCH

Ruben Pineda, mayor of West Chicago, later said of the Muellers:

"We already knew about their reputation from our previous mayor. That which impressed us is that they did not have just a blanket program to meet the needs of people. They also worked with people individually."

Glenn and Cornelia passed out over 100 copies of *The Purpose Driven Life* by Rick Warren and asked teens to write an essay of personal reflections from the book.

A number of teens read the book and wrote the essay. And many of their lives were changed.

After reading the book, one girl said to Glenn: "Reading the book and writing the essay were enormously rewarding. God has changed my life. And now many of my friends have seen the change in me and want the same for their lives too."

On several occasions, Jeff Walser set up an ice cream table on one of the sidewalks at Timber Lake and offered free ice cream cones to all passersby.

One family, who had left Timber Lake several years earlier without pay-

ing several months of back rent, asked if they could return. "You may," Cornelia said, "but you owe us \$3000 from unpaid rent when you lived here before."

The family paid the outstanding bill and then moved back in. "Since leaving here," the man said, "we've been to other apartments, but none like this. We want to come back."

One of the teens at Timber Lake was a member of a local gang. He told Glenn that he wanted to leave the gang, but the gang would not allow him to get out.

"The only way out," he said, "was to go through an exit initiation which involved being severely beaten by the entire gang. The beating is so severe that I could be beaten to death."

Glenn admonished him to leave the gang, one way or another. And so the teen went through the exit initiation. He was severely beaten, but lived, and is now free of gang life.

On another occasion, Glenn learned that one of his tenants, a Muslim young man who suffered from a form of mental retardation, was accused by another tenant of attempted sexual assault.

Glenn suspected that the young man was innocent and took the time to read through the complaint and testimony of the young woman.

He noticed a number of inconsistencies in her testimony, which she had given on several different occasions to the police, and brought them to the attention of the judge and prosecuting attorney in a well documented letter.

Then, after conducting his own investigation and interview of the young woman, the prosecuting attorney dropped the case.

With the case now dropped, the Muslim family had become so impressed with Glenn and his help that they began attending Wheaton Bible Church.

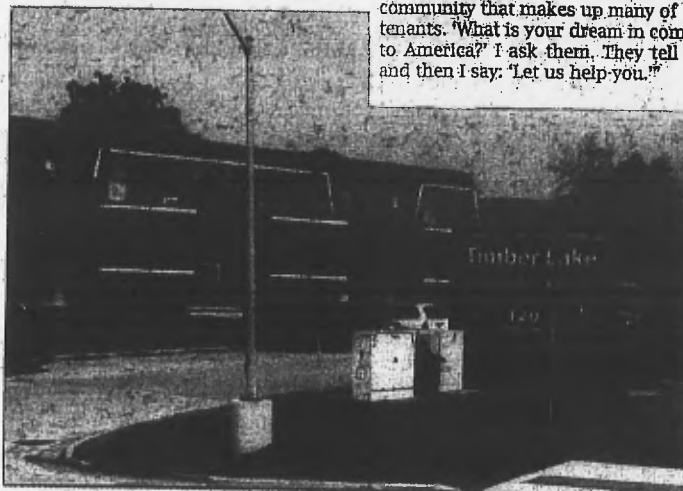
Within a few weeks, they all converted to the Christian faith.

Not all stories at Timber Lake, however, have had rosy endings. Some tenants refuse to follow the rules of the complex and have been evicted.

UNDERGIRDING PHILOSOPHY

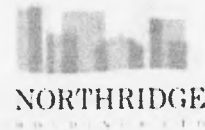
Cornelia Mueller, who is herself an immigrant from Romania, summed up her undergirding philosophy as manager at Timber Lake:

"As an immigrant, I understand this community that makes up many of our tenants. 'What is your dream in coming to America?' I ask them. They tell me and then I say: 'Let us help you.'"



Northridge News

Fall 2017



We are thankful for the hard work and creativity from our staff that has made this another successful year. It has been successful in many ways. We have been making improvements to the properties. The improvements result in saving money on utility costs, increased rents, increase and upgraded amenities for the residents and improving overall appearance. All of these factors increase the value of the properties. When we help our residents, we help ourselves. Over all this makes everyone happy; the residents, investors and the staff.

Here is an overview of our current properties:

Cornerstone/5528 Hyde Park – The Miami and Palatine condo market continues to increase in value. We will be starting to test the sales market in Palatine. Our office building is also growing in income and value.

106 Surrey – (48 Townhomes in Glen Ellyn) Our occupancy is high with rising rents and values. We will be testing the sales market. We re-purchased 2 additional units in our complex that we previously sold. One townhouse from an owner wanting to relocate and one from a foreclosure auction. Both of these were bought at a reduced price from the market value.

561 Deere park Circle – (Bartlett Lake Apartments) 192 apartments in Bartlett – High occupancy with increased rents. We improved part of the parking lot and replaced roofs on two of the four buildings. Also, replaced some

apartment flooring, air conditioners and appliances, and upgraded the elevators.

610 Lincoln – (Chablis Apartments) 96 apartments in Addison. High occupancy with increased rents. We added an additional 12 parking spaces in order to relieve the parking problem due to high occupancy. Exterior painting to add to the curb appeal as well as painting interior halls and staircases.

Arbor, Kings, TLSA, TLSA IL – (Timber Lake Apartments) 576 apartments in West Chicago - High occupancy with increased rents. We have added an additional playground. Now we have one for younger and one for older children and have added barbeque grills and seating areas with benches. We are completing the construction of a new swimming pool, and the replacement of windows and patio doors in 4 buildings. We received the approval of a permit to add about 60 parking spaces in order to relieve the parking problem due to higher occupancy.

The after-school tutoring and computer programs for children is operated by Puento del Pueblo, from Wheaton Bible Church, in our Resource Center is making great progress with helping children achieve better grades. We helped sponsor 13 high school seniors to tour some colleges to expose them to the possibilities of higher education and scholarship programs. They are also helping families with English as a second language, counselling and job placement. Last year besides their full-time staff, they had volunteers that put in over 11,000 hours of help for our residents. They also conduct sports programs, organizing child care, and monetary help for temporary help for rent, food, utilities and furniture.

The Chicago Eagles Soccer ministry, led by Cody and Jennifer Snouffer, has eight coaches living on site and working with 250 children playing soccer three times a week and working daily with them in their personal lives.

Willow Creek Church also provides food and clothes for immigrants in need.

Refinancing news:

We had tried to obtain additional financing on the Timber Lake and Bartlett properties. The intention was to distribute that cash to the investors. The terms that the government agency, through which we received our current mortgage five years ago, made it too costly to complete. The original mortgages were and are great because they are saving us \$400,000 and \$200,000 a year in interest compared to the original mortgage, when we purchased the properties.

If we still own the properties, our next opportunity to refinance and take out funds to return most, if not all, of your original investment will be in about four years when we can leave the government program and use a conventional bank.

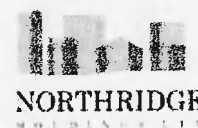
We were able to complete a refinance and distribute some funds to investors in 610 Lincoln (Chablis Apartments) this past year. We are also completing a refinance on the office building owned by Cornerstone/5528 Hyde Park in about 30 days. If our proposal is approved, there will be a distribution on this transaction, also.

Thank you for being part of the team that has been working together to accomplish good things to benefit many.

Glenn Mueller & the Northridge Team

Northridge News

December 2017



Award Announcement

Timber Lake Apartments has been chosen for the highest honor awarded by the City of West Chicago.

This has been achieved by the heart and hard work of many people and organizations which include:

- The Manager and staff of Timber Lake Apartments
- The Managers and staff of Bartlet Lake Apartments
- The Managers and staff of Chablis Apartments
- The staff of Northridge Holdings
- Puente del Pueblo
- Wheaton Bible Church
- Community Fellowship Church
- The Chicago Eagles Soccer Ministry
- All of you who are Investors or have lent funds to Timber Lake Apartments

We are Grateful for all of you!

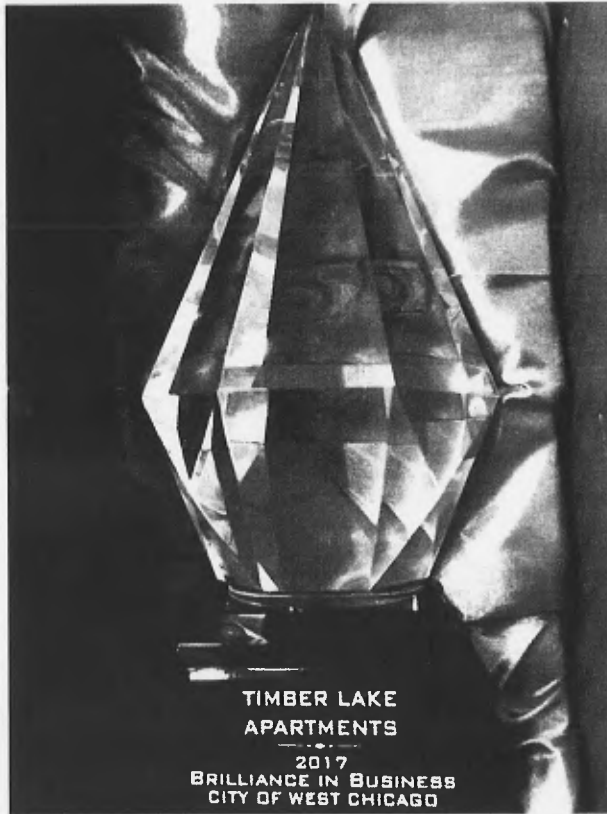
View what West Chicago posted about this:

<http://westchicago.org/bisomess/taking-apartment-management-whole-new-level/>

View this on our website:

<http://www.northridgeltld.com/the-northridge-way-investing-in-people-and-communities/press-kit/> *click on the November 28, 2017 Press Release*

Press Release written and published by the City of West Chicago



November 17, 2017 –

A rare combination of business acumen skilled at revitalizing downtrodden properties, a significant financial investment and a genuinely caring philosophy of compassion for its residents and staff, has transformed an apartment community in West Chicago into a thriving center of optimism and good will.

Glenn and Cornelia Mueller and their dedicated team at Timber Lake Apartments, 1200 Kings Circle, have been chosen by the City of West Chicago as recipients of a coveted Brilliance in Business Award in the category of Outstanding Achievement in Health, Safety & Environment.

Extensive interior and exterior renovations to the 576 unit apartment complex and its many amenities, including playgrounds, resource center and outdoor gathering spaces have improved its residents' quality of life. Currently underway is a planned expansion for additional

resident parking and upgrades to the large swimming pool facility which will be ready for the 2018 summer season.

By combining their unique business sense with a genuine desire to uplift their residents' lives for the past 10 years, the Mueller's have strived to create a model community one person and one apartment at a time. Clearly, this is an enterprise that sets higher goals as exhibited by management's involvement with tenants and their well-being.

The Mueller's work closely with partnering organizations to deliver their resident families the best of programs and opportunities. An ongoing relationship with Wheaton Bible Church and Puente De Pueblo provides after school programs, academic assistance and more to families. Plus, a partnership with Chicago Eagles Soccer provides a Summer Academy and camps for kids and young adults. The Mueller's facilitate college tours for high school students and adults who may not otherwise have considered higher education an option.

Inspiration resides around every corner at Timber Lake Apartments. From message boards in each building that inspire gratitude for the present and hope for the future, to 34 sign posts that wind around one of the playground areas that contain positive affirmations, or a wooden arch designed for school children that sends them off in the morning with a word of encouragement and greets them on their return with Home Sweet Home, Timber Lakes Apartments puts a message of possibility in every detail.

Press Release written and published by the City of West Chicago

About the Brilliance in Business Awards

The Brilliance in Business Award Program is the highest honor given by the City of West Chicago in recognition of exemplary and innovative business practice. It aims to acknowledge the specific efforts businesses make towards achieving their goals and the positive impact they have on the community. The program highlights and acknowledges successful initiatives, projects, ventures, business models, and practices that continue to enhance the West Chicago business environment and further the community's economic development goals. The Program brings to the forefront the level of diversity, creativity, and corporate citizenship that epitomizes West Chicago Business. **Also receiving an award this year are Chris Mechanical Services, Buck Services, Inc. and American Standard Circuits Inc.**

Formal recognition has been given to each business at the City Council meeting of Monday, December 4, 2017.



Real Estate Investments

Glenn Mueller has been personally investing in real estate in the Chicago area for over 44 years. Along with the Northridge Holdings team, Glenn has bought, sold and managed 74 properties without incurring any losses to the investors. We have been taking in investors and forming limited partnerships for the purchase and sale of real estate nearly 28 years. At present we have 10 properties totaling 993 units under management.

Our objective is to purchase undervalued or mismanaged, income producing apartment buildings through leveraged financing; then increase their value by improving their appearance, increasing income and reducing expenses.

Depending upon economic conditions, once we have accomplished our objectives we would then determine which period of time would maximize our income and equity potential:

Due to current market conditions, we are currently operating under this scenario:

1. Long Term - (three or more years)

Our options at that time would be to:

- A. Determine if it would be wise to hold the property, then because of its increased value our goal would be to refinance, lower interest rates (if possible) and return the capital plus equity back to the investors tax free.
- B. Sell the property
- C. Sell the property using a 1031 tax deferred exchange (no capital gains taxes would be due at the time of sale).
- D. Convert the apartments into condominiums.

We carefully evaluate the profit potential to the investors with every step of the process:

1. Formation of the Limited Partnership –
 - A. Organizing the investors
 - B. Receipt of funds (money deposited for real estate investment earns interest until the property is located and purchased).
 - C. Establish the Limited Partnership (each property held in a separate L.P.).
2. Locate undervalued or mismanaged properties.
3. Negotiate the purchase price.
4. Secure financing with either non-recourse or recourse loans personally guaranteed by us due to the limited liability to the investors.
5. Since management of the property is the key to our success, all management remains in-house.
6. Market the sale of the property including the negotiation of the sale price.
7. Distribution of profits is on a 60% / 40% basis. The investors receive 60% of the profits and are distributed according to their percentage of their capital investment.
8. If a 1031 Exchange is used, profits are held in escrow until these funds are transferred into a new property giving the investors a greater capital base using tax-deferred monies.

Each property is held in a separate limited partnership registered with the state of Illinois. This type of partnership provides a high degree of asset protection. It also can be used in estate planning to reduce inheritance taxes up to 40%.

One very important source of funds is in your IRA. We are able to use IRA funds in real estate. This allows your investment to accumulate profits tax free or tax deferred to you and your heirs.

The following are several examples of purchases, sales and trades into other properties:

1. We purchased a 76-unit complex Dec. 23, 1996 for \$1,985,000 and sold it for \$2,740,000 for a net return to the investors of 69% in 22 months. The proceeds were traded (tax-deferred) into 2 properties:
 - A. We purchased 92 units on Dec. 28, 1998 for \$2,670,000. We rehabbed it for approximately \$1,100,000 and sold it on Oct. 1, 2001 for \$ 4,700,000. Then traded the proceeds into an 88-unit complex for \$ 5,375,000 on Oct. 4, 2001. This was sold on September 18, 2002 for \$6,675,000.

Example #1A - 92 Units



- B. We purchased a 10 unit building that we purchased for \$480,000, converted into condos, and sold them in 1 year for \$878,000, a return to the investors of over 60%.

The investors received a 293% return during the six-year term.

2. An 18-unit condo conversion that we completed in 16 months for a return of 68% to the investors.
3. The purchase of a 22 unit building in June 1995 for \$1,280,000 with \$244,000 in capital. It was sold in Jan. 1999 for \$1,710,400. The proceeds were traded into 2 properties:

Example #3 – 22 Units



A. 47 units for \$1,370,000. Sold in March, 2006 for \$2,005,600.

Example #3A – 47 Units



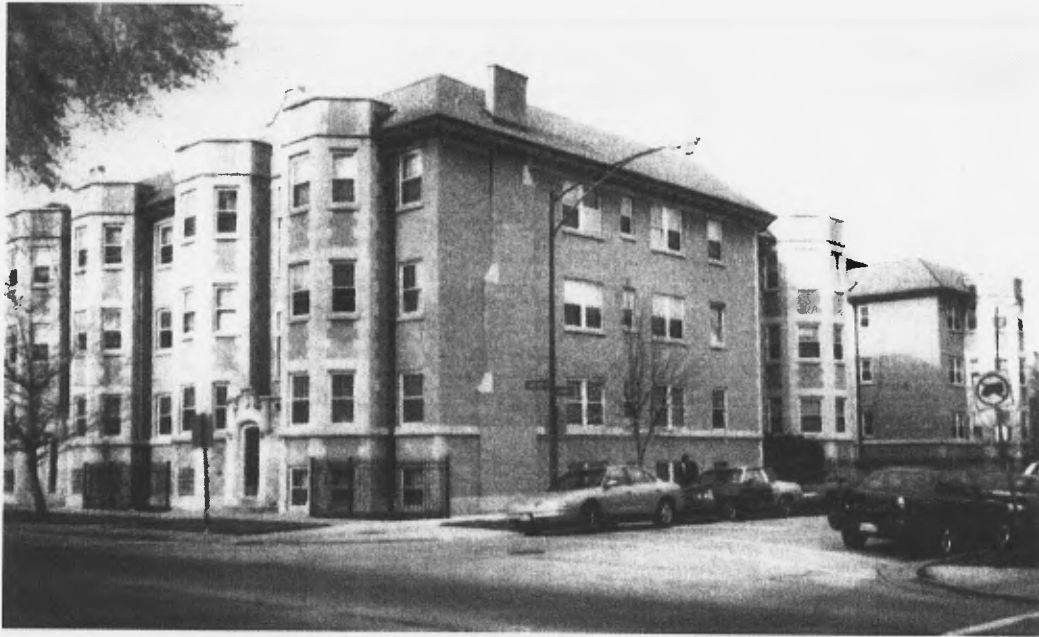
- B. 19 units for \$715,000 - sold 1 year later for \$910,000. Proceeds were traded again into a 32 unit for \$1,500,000, (\$60,000 was used for fix-up). It sold July, 2005 for \$2,675,000. The initial investor's capital of \$244,000 for the \$1,280,000 property controlled \$4,875,000 worth of real estate. The original capital of \$246,465 returned a profit of about \$775,390 to the investors. Approx. 315% return in 10 years.

Example #3B – 32 Units



4. We purchased a 27 unit for \$ 1,025,000 and within 1 1/2 years sold it for \$1,737,500, the investors received a 133% return. (\$214,000 investor's capital invested now worth \$498,360). This was traded into a 39-unit property, which sold March, 2007 for \$2,560,000. Another of our L.P. bought the 27 unit for the \$1,737,500 and sold them as condos for \$2,726,000 within 2 years.
5. A 31 unit purchased in 1996, for \$850,000 now valued at \$2,000,000. A return of approx. 810% to the investors on the original investment. However, more than twice the original investment was returned to the investors when it was refinanced in the 6th year. It was refinanced again in 2011. At that time, the investors received additional funds that totalled about 3 times the capital they contributed. No income tax is due on those funds because they were a loan to the property. The investors still own the property with none of their capital in it. The return on the investment is now infinite.

Example #5-31 Units



6. A 38-unit property purchased Nov. 1999 for \$ 895,000 with improvements of \$200,000 increased the rents by \$200 a month per apartment. We sold it in April, 2002 for \$ 1,637,500. A return of 145% to the investors in 2 ½ years.
7. A 76 unit, 12 story building in Hyde Park was purchased July, 2002 for \$3,900,000, it was sold September 2004 for \$5,000,000. The investors received an approximate return of 50% for the 2 years of ownership. A \$189,000 2nd mortgage was held on the sale, which produced another \$311,000 profit over a 9 year period. (See Example #7)

Example #7 – 76 Units



The following is an example of a property currently owned by our investors and is under Northridge Management. This property was purchased at the peak of the economy. It is an example of how our abilities, even when the economy declines. Home values declined by a third in our area.

8. A 576 unit, property purchased July 2007 for \$30,000,000. We have added \$5,000,000 in improvements since 2007. We have greatly increased income and lowered expenses. The property was appraised 2 years ago, during our refinancing, for \$38,800,000. Currently, the value is approximately \$45,000,000. Not only was this profit made during the worst economy since the Great Depression, but we are now also saving an additional \$370,000 in interest per year on a fixed rate assumable loan for 10 years. (See Example 8)

During the past few years, home values and sales of homes have been improving, with the largest gains in seven years. This will begin to add additional value due to the "condominium premium". Developers pay more for apartments when they are able to do a condominium conversion. This addition has added significant value in the past.

In the past, with the "condominium premium" our annual returns have ranged from 15% - 30% per year, plus the tax benefits. In some cases we've seen returns in the 50%-100% range. Due to an ever-changing economy, past performance is not a guarantee of future results.

As noted in Example #8, we have experienced positive rates of return during the worst economy since the Great Depression. Our primary objective is to provide our investors with safe investments. Compared to our stability, we see volatility in other investment markets. Even though the Stock Market has been strong recently, it has dropped 45% twice in the last 12 years and bank interest rates are at historic lows.

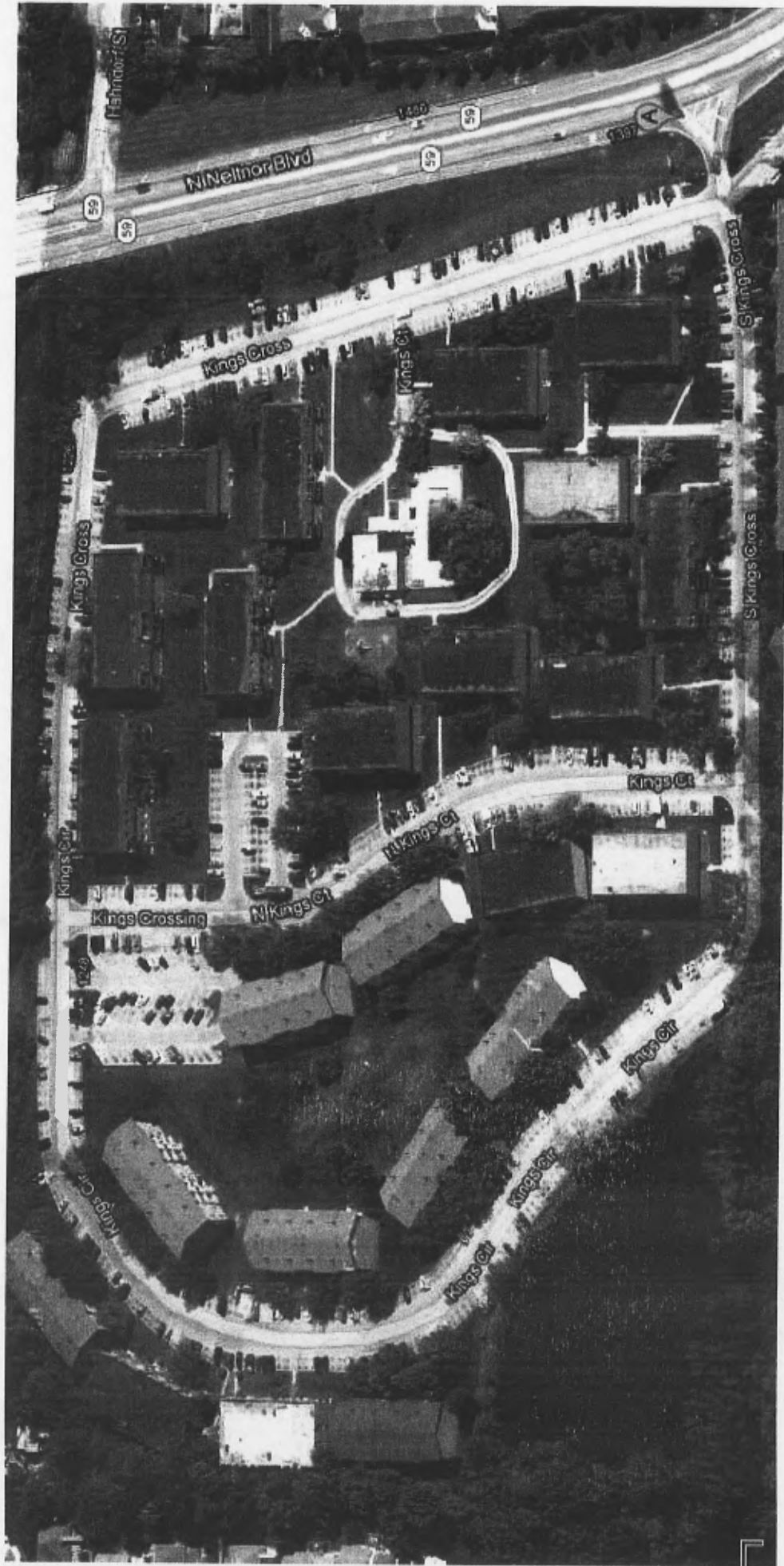
At Northridge, our properties are positioned to withstand current market conditions, and to immediately respond to an upward turn in the economy without major investments needed above normal operating expenses.

We realize that every investor comes to Northridge with different personal needs and objectives. We offer a variety of investment programs which you can choose from to meet your needs. Northridge can structure your investment for monthly cash distributions or capital gains profits (currently taxed at 15%) or a combination of both. If you have any questions please contact Glenn Mueller at 630 889-9695 x.111.

Sincerely,

Glenn Mueller and the Northridge Holdings Team

Example # 8



West Chicago – 576 Units

EXHIBIT B

Northridge Real Estate Investment Summary 12/31/2017		Type	% Owned	Gross Income	Expenses	Net Operating Income	Interest Paid	Total Cash Flow (4-5)	Real Estate Value Estimate	Debt	Equity (8-9)	Investor Capital	Cost	Bank Escrows
Real Estate Investments			1	2	3	4	5	6	8	9	10	11	13	14
1	Timber Lake Apts. West Chicago	576 Apts.	100%	\$5,881,526	\$3,276,566	\$2,604,960	\$1,315,498	\$1,289,462	\$58,500,000	\$22,140,019	\$36,359,981	\$12,250,000	\$30,000,000	\$848,520
2	561 Deere PK Circle Bartlett	192 Apts.	100%	\$2,198,323	\$939,092	\$1,259,231	\$452,592	\$806,639	\$19,400,000	\$9,009,823	\$10,390,177	\$3,800,000	\$13,150,000	\$320,368
3	610 Lincoln Addison	96 Apts.	100%	\$1,102,579	\$580,356	\$522,223	\$236,280	\$285,943	\$9,050,000	\$5,659,746	\$3,390,254	\$2,073,426	\$7,600,000	\$84,325
4	106 Surrey Glen Ellyn	49 Condos	100%	\$624,814	\$338,351	\$286,463	\$130,608	\$155,855	\$6,370,000	\$3,286,207	\$3,083,793	\$2,000,000	\$5,002,500	\$56,805
5	139 S. Austin Chicago	31 Apts.	100%					\$2,103	\$112,500		\$112,500			
6	149 N. Mason Chicago	25 Apts.	100%					\$1,875	\$112,500		\$112,500			
7	441 & 480 Lake Shore Dr. Palatine	5 Condos	100%	\$59,881	\$59,127	\$754	\$15,628	(\$14,874)	\$900,000	\$342,194	\$557,806	\$441,128	\$656,250	\$19,131
8	5097 Elston Chicago	20 Offices	100%	\$167,900	\$123,358	\$44,542	\$17,182	\$27,360	\$1,450,000	\$648,873	\$801,127	\$224,020	\$535,000	\$23,152
9	22W371 Emerson Glen Ellyn	1 House	100%	\$5,200	\$8,171	(\$2,971)	\$12,613	(\$15,584)	\$400,000	\$235,389	\$164,611	\$71,102	\$400,000	
10	Midtown #H1003 Miami	1 Condo	100%	\$23,443	\$8,164	\$15,279	\$0	\$15,279	\$320,000	\$0	\$320,000	\$291,821	\$320,400	
11	Azlan Group LLC	39 Lots 1 House	100%	\$ 6,600	\$ 13,525	\$ (6,925)	\$0	\$ (6,925)	\$665,000	\$0	\$665,000	\$939,000	\$939,000	
12	Bank Escrows			\$0	\$0	\$0	\$0	\$ -	\$ 1,108,193	\$5,500,000	(\$4,391,807)	\$0	\$0	\$1,352,301
Totals				\$10,070,266	\$5,346,710	\$4,723,556	\$2,180,401	\$2,547,133	\$98,388,193	\$46,822,251	\$51,565,942	\$22,090,497	\$58,603,150	\$1,352,315

EXHIBIT C

Case: 1:19-cv-05957 Document #: 4-5 Filed: 09/05/19 Page 36 of 36 PageID #:297

SOUTHRIDGE HOLDINGS, LTD.
1020 W FULLERTON AVE – SUITE G
ADDISON, IL 60101
630-889-9695

PROMISSORY NOTE

\$150,000.00

August 27, 2018

City of Addison

State of Illinois

Per agreed upon after date, without grace, I promise to pay to the order of Catherine Jakicic Irrevocable Trust the sum of One Hundred Fifty Thousand and 00/100 dollars (\$150,000.00) for value received, with interest at the rate of 6 percent per annum from date until maturity, interest payable at maturity and if not so paid, the whole of this note, both principal and interest, shall forthwith become due and payable upon demand, at the option of the holder. Southridge Holdings, Ltd. requires a 30-day notice for payment and payments will be made within 10 business days after the maturity date. In case of default, this note bears interest at the rate of 6 per cent per annum until paid. Principal and interest payable in lawful money of the United States. In case suit or action is commenced to collect this note or any portion thereof, I promise to pay, in addition to the costs provided by statute, such as the court may adjudge reasonable attorney's fees therein, and any judgment entered hereon shall bear interest at the rate of 6 per cent per annum.

This promissory note is automatically renewable. It will renew at maturity with the same terms and conditions for a period of time equal to the original promissory note. The interest rate may adjust to the current rate offered by Southridge Holdings, Ltd. at the stated maturity date. You can prevent an automatic renewal by notifying Southridge Holdings, Ltd. in writing on or within 10 days of the maturity date. Southridge Holdings, Ltd. will provide written notice 45 days before the maturity date advising you of the maturity date and the options available to you.

DUE August 26, 2023

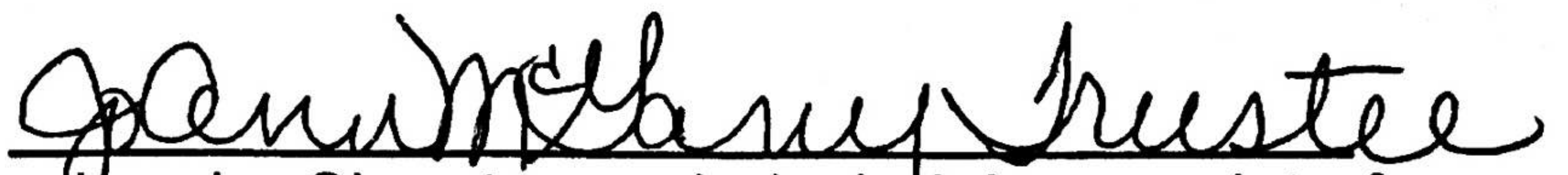


Maker – Glenn Mueller –
for Southridge Holdings, Ltd.

Catherine Jakicic Irrevocable Trust U/A 5/11/2018
Lender - Trustee JoAnn McGarry



Witness to Glenn Mueller's signature




Lender Signature acknowledging receipt of
promissory note


Mailing address


Telephone Number


City State Zip Code


Social Security Number/ EIN

This promissory note is legal and binding. If we consent to alter the terms, a reduction of interest and penalties may be imposed.