

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

<b>UNITED STATES SECURITIES AND EXCHANGE COMMISSION,</b>	)	
	)	
	)	<b>Civil Action No. 19-cv-05957</b>
	)	
<b>Plaintiff,</b>	)	
<b>v.</b>	)	<b>Hon. John Z. Lee</b>
	)	
<b>NORTHRIDGE HOLDINGS, LTD., ET AL.,</b>	)	
	)	<b>Magistrate Judge Susan E. Cox</b>
<b>Defendants.</b>	)	
	)	

**ORDER AUTHORIZING THE SALE OF  
REAL ESTATE AND GRANTING RELATED RELIEF (SURREY PROPERTY)**

Upon the *Amended Motion to Authorize Sale of Real Estate and Related Relief* (the “Motion”) of N. Neville Reid, as the receiver (“Receiver”) for the Estate of Defendant Northridge Holdings, Ltd. and its related entities and affiliates as more particularly set forth in the Receivership Order; the Court having reviewed the Motion; the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; upon due notice of all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor:

**THE COURT HEREBY FINDS AND DETERMINES THAT:**

1. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

2. In his Motion, the Receiver, as the Receiver over 106 Surrey, L.P., an Illinois limited partnership and Parkway Bank and Trust Company, as Trustee under the Trust Agreement dated September 2, 2005 and known as Trust Number 14029 [Dkt. 108] which are the owners of

the subject property, seeks entry of an order authorizing and approving the sale of the subject property (the “Order”) and granting related relief. The proposed sale is made by the Receiver pursuant to the powers conferred upon him by this Court’s *Order Appointing Receiver* entered on September 12, 2019 [Dkt. No. 22], as modified by the Court’s subsequent order [Dkt. 108] (the “Receivership Order”). The terms of the proposed sale of the subject property to the Proposed Buyer (as defined in the Agreement) are set out in the real estate sale contract (as amended, the “Agreement” and the sale of the subject property referenced therein or contemplated thereby, the “Proposed Sale”), a true and correct copy of which is attached to this Order as **Exhibit A**. The Receiver and the Proposed Buyer shall be referred to collectively as the “Parties.” Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

3. The Court, noting that the Parties have entered into the Agreement and that notice was given to those potentially interested parties, as more particularity identified and set forth on the service list attached to the notice of Motion filed contemporaneously with the Motion;

4. The Court acknowledging that: (a) Defendant Glenn Mueller agrees not to oppose the sale, transfer or closing of the sale of the Surrey Property to the Proposed Buyer given the COVID-19 public emergency and in the interest of investors, and further waives any objection to the finality of this Order and agrees that this Order may be relied on by the Proposed Buyer, its lender and any title company as a final order (after expiration of the 30-day appeal period applicable hereto under the Federal Rules of Appellate Procedure) authorizing the transfer of the Surrey Property to the Proposed Buyer (which shall be effective upon the occurrence of the closing of the sale of the Surrey Property); (b) notwithstanding the foregoing, Mr. Mueller objects to the offered sales price of \$5,425,000, because Mr. Mueller asserts: (i) it is significantly lower than the pre-receivership 2019 appraised value of the Surrey Property and (ii) the individual

condominium units that make up the Surrey Property should be sold individually rather than in bulk to maximize value;

5. The Court, having found that the Receiver has complied with the Sales Procedures; and the Court, having (i) found that no other or further notice need be provided, (ii) considered the Agreement, and (iii) given an opportunity to be heard to all persons requesting to be heard;

IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over this matter pursuant to sections 20(b), 20(d), and 22(a) of the Securities Act, 15 U.S.C. §§77t(b), 77t(d), and 77v(a), and Sections 21(d), 21(e), and 27 of the Exchange Act, 15 U.S.C. §§78u(d), 78u(e), and 78aa.

2. The form and manner of notice of the Proposed Sale and the Motion are hereby determined to have been the best notice practicable under the circumstances and to have been good, proper and sufficient notice to all persons whose interests could be affected by this Order.

3. The Court has been apprised of the negotiations that preceded the Agreement and finds that the Proposed Sale is a result of arms-length negotiations among the Parties in good faith. There is no evidence that the Proposed Sale is the result of collusion among the Parties or that there has been any intent to prejudice the persons who, or the entities which, will be subject to this Order. The Proposed Buyer, as transferee of the Surrey Property, is a good faith purchaser for value.

4. The legal and factual bases set forth in the Motion and on the record establish that the Agreement represents fair, reasonable, and adequate consideration for the Surrey Property. The Proposed Buyer's offer for the Surrey Property as described in the Agreement is the highest and best offer for the Surrey Property.

5. The Receiver is authorized to sell the Surrey Property to the Proposed Buyer

under the terms set forth in the Agreement, to close such sale and to perform any ministerial or other actions required to close such sale.

6. Upon the occurrence of the closing of the sale of the Surrey Property (the “Closing”), the Surrey Property shall be the sole and exclusive property of the Proposed Buyer (as set forth in the Agreement) free and clear of any mortgage, pledge, lien, charge, security interest, claim or other encumbrance (other than encumbrances that run with the land pursuant to applicable law, but in any event free and clear of any monetary encumbrance which can be removed from title by the payment of a sum certain).

7. Payment of the costs of the Closing of the Proposed Sale, including but not limited to, payoff of the existing mortgage and all associated costs and fees, 33 Realty’s real estate commission, any amounts due to the Surrey condominium association (the “Closing Costs”) is in the best interest of the Receivership Estate and such Closing Costs may be paid at the Closing of the Surrey Property.

8. This Order may be relied on by the Proposed Buyer, its lender and any title company insuring title to the Surrey Property in connection with the sale of the Surrey Property to the Proposed Buyer, and any and all objections to the Closing of the Proposed Sale are hereby overruled with prejudice.

9. Mr. Mueller’s agreement not to oppose the sale of the Surrey Property or the Closing does not preclude him from asserting his opposition to the sale/price of the Surrey Property in connection with any other proceedings, whether civil or criminal, provided that any such opposition in any other proceeding shall not under any circumstances diminish, prejudice, modify or otherwise affect in any way the Proposed Buyer’s exclusive ownership of the Surrey Property effected hereby and effective upon the Closing.

This Court retains jurisdiction (a) to enforce the terms of the Agreement; and (b) enforce the terms of this Order including, but not limited to, any protections afforded to the Parties hereunder. This Order shall be effective immediately upon its entry.

A handwritten signature in black ink, appearing to read "John Z. Lee", written in a cursive style.

---

**Hon. John Z. Lee**  
**UNITED STATES DISTRICT JUDGE**

Entered: 6/17/20

**EXHIBIT A**

[Agreement]

(see attached)