

# **EXHIBIT C**

**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 PATRICIA PETROFF**

1. My name is Patricia Petroff. I am 73 years old and live in Whippany, New Jersey. I have personal knowledge of the facts described in this declaration.
2. I last worked as a Financial Associate at Pepisco for 13 years, doing mainly data entry, bank reconciliations, and other clerical tasks. I have no post-high school education. I am now retired. I have net worth under \$1 million.
3. In 2014, after I retired, I began working with financial advisor Gary Scheer. In or around 2016, Mr. Scheer suggested that I invest some of my retirement funds with Northridge.
4. Prior to deciding to invest in Northridge, Mr. Scheer provided me a brochure about Northridge and showed me a professional-looking video produced by Northridge. Mr. Scheer indicated that if I invested, I could receive 3% interest for a one-year investment, or 5% interest for a three-year investment.
5. I also communicated with Northridge's owner Glenn Mueller, who provided me with additional information regarding Northridge. Mr. Mueller described Northridge as a family-owned business that invested in lower-income real estate properties that they would rehabilitate and ultimately sell. Based on these statements and the video shown to me by Mr. Scheer, I believed my investment was going to be used to rehab garden-styled apartments in the Chicago area. Mr. Mueller assured me that this was a safe investment and that Northridge had a lot of satisfied investors.
6. Both Mr. Scheer and Mr. Mueller invited me to visit Northridge's website and the visit the properties to learn more information about the investment, but I never did either. I

trusted Mr. Mueller when he told me I was making a safe investment by investing with Northridge.

7. At no time did Mr. Mueller or anyone else at Northridge disclose to me that some of my money would be used to pay fees to investment advisers like Mr. Scheer, or for business or legal expenses unrelated to the garden-styled apartments. To the contrary, based on what Northridge told me, I believed that all of my money was going toward renovating properties, so that they could be sold for a profit.

8. At no time did Northridge disclose to me that any portion of the funds I invested with Northridge could be used to make payments to other Northridge investors.

9. If I had known that any portion of my investment would be used to pay fees to investment advisers like Mr. Scheer, for business or legal expenses unrelated to the garden-styled apartments, or to make required payments to other Northridge investors, it would have made a difference to me in deciding whether I should invest or not.

#### INVESTMENTS IN NORTHRIDGE

10. I first invested with Northridge in March 2016. I invested \$29,500. In return, I received two promissory notes, which set forth the terms of my investment. One promissory note was for \$9,500 over one year at 3% interest. A copy of this promissory note is attached here as Exhibit A. The other promissory note was for \$20,000 over three years at 5% interest. A copy of this promissory note is attached here as Exhibit B.

11. I invested through an IRA that Northridge and Mr. Scheer helped me set up. I assumed Northridge was working with the IRA entity, IRA Services Trust Company.

12. I understood that I was investing in Northridge. While my promissory notes reference an investment with Unity Investment Group, I did not know what Unity was. I just assumed it was related to Northridge.

13. I never physically received any interest payments on my Northridge investment – instead I allowed my interest payments to accumulate in my account so it could earn additional interest.

14. I renewed my promissory notes whenever they came due. Initially Mr. Scheer assisted me in renewing my notes. Ms. Decker also sent me correspondence regarding renewals of the promissory notes. Later, after I stopped using Mr. Scheer as a financial adviser, I interacted directly with Ms. Decker in renewing my promissory notes. An example of a promissory note renewal is attached as Exhibit C.

15. Twice I was able to receive a distribution from Northridge for my investments. First, in March 2018, I requested and received a distribution of \$2,000. Later, in May 2019, I received a distribution of \$3,000. I initially made the \$3,000 distribution request in March 2019, but was told by Northridge that it would be delayed for various procedural reasons. I relied upon Mr. Mueller and Ms. Decker to tell me how much I could receive in distributions.


16. My principal payment for the larger three-year promissory note became due in March 2019. Consistent with my one-year promissory note, I extended this note for another three years. I was unaware at this time of any state or federal investigations into the business of Northridge. Had I known about these investigations, I would not have renewed my promissory notes.

17. In about May 2019, at the urging of my daughter, I sought to withdraw the entirety of my investments from Northridge. I made this request to Ms. Decker. Ms. Decker told me that because I had signed promissory notes, Northridge could not give me my money back now, and that I would have to talk to Mr. Mueller. Mr. Mueller told me at that time that that I could only get back \$3,000 of my remaining investment, which totaled over \$30,000, which included accrued interest.

18. To date I have only received \$5,000 of my original \$29,500 investment in Northridge.

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

7/24 in 2019.

  
Patricia Petroff

# EXHIBIT A

UNITY INVESTMENT GROUP I, LTD.  
1020 W FULLERTON AVE SUITE G  
ADDISON, IL 60101  
630/889-9695

PROMISSORY NOTE

\$9,500.00

March 03, 2016

City of ADDISON

State of ILLINOIS

UNITY INVESTMENT GROUP I, LTD. promises to pay to the order of IRA Services Trust Company, Custodian FBO Patricia Petroff, IRA [REDACTED] Tax ID # [REDACTED] the sum of Nine Thousand Five Hundred and 00/100 dollars (\$9,500.00) in repayment of the loan to UNITY INVESTMENT GROUP I, LTD. with interest at the rate of 3% per annum from date until maturity. If upon the due date no extension has been agreed upon, the IRA account holder is entitled to the balance of the loan amount plus interest.

At the election of the note holder, the entire value of the note remaining unpaid there under shall become at once due and payable if default shall occur in the payment when due as above provided and such default shall continue for 30 days after written notice thereof to the Company from the legal holder thereof. Such election may be made at any time after the expiration of the said 30 day period, as the case may be, without further notice, provided that at the time of such election the default complained of shall be continuing.

DUE DATE March 02, 2017

Patricia Petroff  
Lender Signature acknowledging receipt of  
promissory note

Glenn Mueller  
Maker - Glenn Mueller for  
Unity Investment Group I, LTD.  
March 02, 2016

Barbara Decker  
Witness to Glenn Mueller's signature

Date

March 02, 2016  
Date

This promissory note is legal and binding. If we consent to alter the terms, a reduction of interest and penalties may be imposed. (Beginning and ending dates have been adjusted according to actual funding date.)

# EXHIBIT B



UNITY INVESTMENT GROUP I, LTD.  
1020 W FULLERTON AVE SUITE G  
ADDISON, IL 60101  
630/889-9695

PROMISSORY NOTE

\$20,000.00 \_\_\_\_\_ March 03, 2016  
City of ADDISON \_\_\_\_\_ State of ILLINOIS

UNITY INVESTMENT GROUP I, LTD. promises to pay to the order of IRA Services Trust Company, Custodian FBO Patricia Petroff, IRA [REDACTED] Tax ID # [REDACTED] the sum of Twenty Thousand and 00/100 dollars (\$20,000.00) in repayment of the loan to UNITY INVESTMENT GROUP I, LTD. with interest at the rate of 5% per annum from date until maturity. If upon the due date no extension has been agreed upon, the IRA account holder is entitled to the balance of the loan amount plus interest.

At the election of the note holder, the entire value of the note remaining unpaid there under shall become at once due and payable if default shall occur in the payment when due as above provided and such default shall continue for 30 days after written notice thereof to the Company from the legal holder thereof. Such election may be made at any time after the expiration of the said 30 day period, as the case may be, without further notice, provided that at the time of such election the default complained of shall be continuing.

DUE DATE March 02, 2019

Patricia Petroff  
Lender Signature acknowledging receipt of  
promissory note

Glenn Mueller  
Maker - Glenn Mueller for  
Unity Investment Group I, LTD.  
March 02, 2016

Barbara Decker  
Witness to Glenn Mueller's signature

Date

March 02, 2016  
Date

This promissory note is legal and binding. If we consent to alter the terms, a reduction of interest and penalties may be imposed. (Beginning and ending dates have been adjusted according to actual funding date.)

# EXHIBIT C

UNITY INVESTMENT GROUP I, LTD.  
1020 W FULLERTON AVE SUITE G  
ADDISON, IL 60101  
630/889-9695

*Handwritten:*  
Paid  
Northridge  
3/6/17

PROMISSORY NOTE-EXTENDED

This promissory note extends the promissory note dated March 03, 2016 for 9,500.00 and includes withdrawals and interest earned up to the date of this new note's beginning.

\$9,799.08

March 03, 2017

City of ADDISON

State of ILLINOIS

UNITY INVESTMENT GROUP I, LTD. promises to pay to the order of IRA Services Trust Company, Custodian FBO Patricia Petroff, IRA [REDACTED] Tax ID # [REDACTED] the sum of Nine Thousand Seven Hundred Ninety-Nine and 08/100 dollars (\$9,799.08) in repayment of the loan to UNITY INVESTMENT GROUP I, LTD. with interest at the rate of 3% per annum from date until maturity. If upon the due date no extension has been agreed upon, the IRA account holder is entitled to the balance of the loan amount plus interest.

At the election of the note holder, the entire value of the note remaining unpaid there under shall become at once due and payable if default shall occur in the payment when due as above provided and such default shall continue for 30 days after written notice thereof to the Company from the legal holder thereof. Such election may be made at any time after the expiration of the said 30 day period, as the case may be, without further notice, provided that at the time of such election the default complained of shall be continuing.

DUE DATE March 02, 2018

*Handwritten Signature: Patricia Petroff*

Lender Signature acknowledging receipt of promissory note

*Handwritten Signature: Glenn Mueller*  
Maker - Glenn Mueller for  
Unity Investment Group I, LTD.  
February 21, 2017

Date

*Handwritten Signature: Anthony [unclear]*  
Witness to Glenn Mueller's signature

February 21, 2017  
Date

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