

# **EXHIBIT D**

**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 ROBERT STEFAN**

1. My name is Robert Stefan. I am 63 years old and live in Rogersville, Missouri. I have personal knowledge of the facts described in this declaration.

2. I graduated from Drake University and received a Master of Management degree from Northwestern University in Evanston, Illinois. For the past 21 years I have served as a missionary with the Assemblies of God USA, a Pentecostal Christian denomination. Prior to serving as a missionary I worked in corporate finance for Kidder, Peabody and as a founding shareholder of Vector Securities International, an investment bank, specializing in the bio-technology industry. My net worth is over \$1 million.

**INVESTMENTS WITH GLENN MUELLER**

3. I have known Glenn Mueller for nearly all of my life as our parents were long-time friends. I first started investing with Glenn Mueller in the early 1980s when he was buying, rehabbing, and selling small multi-unit apartment buildings. At that time Mr. Mueller was still working as a tool and die maker and did most of the rehabbing of properties himself. I provided capital to Mr. Mueller and then shared in any profits. I typically reinvested any profits in new real estate opportunities presented by Mr. Mueller. As Mr. Mueller's business grew, he began acquiring larger properties and began to work with brokers to help find new opportunities. My investments with Mr. Mueller fared well, and my confidence in Mr. Mueller's real estate acquisition, sale and management abilities increased.

**INVESTMENTS WITH NORTHRIDGE**

4. Eventually Mr. Mueller formed Northridge Holdings, Ltd. ("Northridge") to operate his real estate business. During the 1990's and 2000's, my wife and I increased our investments with Northridge. Our investments with Northridge notably increased after I retired from investment banking in 1993, and after my wife and I received family inheritances in 2001 and 2008-2010. Our

investments with Northridge took the form of either limited partnership interests in residential rental properties, or in interest-bearing notes from Northridge.

5. The terms of the limited partnerships associated with each of the properties that my wife and I invested in entitled us to receive an equity interest in the property and a share in any profits once sold. Generally, Amberwood Holdings LP (“Amberwood”), which is a limited partnership owned by Mr. Mueller and his family and family trusts, received 40% of the profits from these limited partnerships, while I and my wife and any other limited partners received the remaining 60%. Northridge was the general partner for these partnerships.

6. Where the investments took the form of interest-bearing notes from Northridge, Mr. Mueller and Northridge informed us that the note proceeds were to be used in connection with the purchase, renovation, improvement, or financing of real estate properties owned by the various limited partnerships organized by Northridge. Prior to entry into the Master Promissory Note described below, Northridge made all interest payments under the notes on the dates and in the amounts set forth in the note agreements.

7. After living in Kazakhstan from 2005 to June 2007, my wife and I wanted to clarify our investment position with Northridge, for estate planning purposes and to provide for a more stable source of income to support our charitable and mission work. After discussions with Mr. Mueller, we had all but one of our limited partnership interests, and all of our outstanding notes, converted into a Master Promissory Note. The Master Promissory Note was with Amberwood and initially paid 12% interest annually.

8. Although we came to an agreement with Mr. Mueller regarding the principal amount and interest rate on the Master Promissory Note at the end of 2008, we did not memorialize the Master Promissory Note until 2012. By December of 2011, my wife and I held approximately \$1.9 million in investments in Northridge that were formalized in the Master Promissory Note. From

December 2011 through December 2017, my wife and I together were receiving over \$19,000 in monthly interest payments from Amberwood under the note. The Master Promissory Note was renewed several times, most recently in January 2018. A copy of this most recent Master Promissory Note is attached hereto as Exhibit A.

9. As reflected in Exhibit A, in early 2018, the interest rate on the Master Promissory Note was adjusted from 12% to 10%. This was a result of discussions I had with Mr. Mueller in November and December 2017. He told me the investments have been doing well and that the capital improvements to the properties have increased the rents and cash flow, reducing Northridge's need for capital, while further improvements will not yield as great of a return as the initial ones. Mr. Mueller also alluded to the overall lower level of interest rates nationally, arguing that the decline in overall interest rates in the country supported a reduction in the Master Note interest rate.

10. Although I understood that the Master Promissory Note was not secured by any of the specific Northridge properties, like a mortgage would be secured, I was told and understood that the principal and interest on the Master Promissory Note would be paid from the cash flows of the rental properties owned by the limited partnerships, because Amberwood supplied the principal from the Master Promissory Note to the limited partnerships in connection with capital improvements or financing/funding requirements. In addition, I understood that the Master Promissory Note was secured by the assets of Amberwood, which included its 40% interest in the profits of the Northridge properties. Further, I obtained from Mr. Mueller his personal guarantee and a designation that my wife and I were beneficiaries of \$1,000,000 worth of "key man" life insurance on the life of Mr. Mueller. I obtained the "key man" life insurance guarantee because of the indispensable role Mr. Mueller played in running Northridge.

11. The interest payments my wife and I were receiving from the Master Promissory Note made up a significant portion of our total income. Given my concerns about what would

happen to this income if something were to happen to Mr. Mueller, I requested and obtained the ability, at our expense, to purchase an additional \$1 million of life insurance on Mr. Mueller's life.

12. Based on conversations with Mr. Mueller over the years, I understood that Amberwood was making interest payments on the Master Promissory Note from cash flows being generated from the particular properties. If I had known that interest payments on the Master Promissory Note were being made from any source other than cash flows from the properties, including from the funds of other investors, it would have impacted my investment decision.

13. Based on conversations with Mr. Mueller over the years, I also understood that the funds loaned to Amberwood under the Master Promissory Note would be used for Northridge's real estate operations, including the purchase and renovation of properties. If I had known that any of these funds would be used for expenses not associated with real estate operations, such as to pay Mr. Mueller personally, to pay fees or commissions to individuals soliciting other investors, or to make interest or principal payments to other investors, it would have impacted my investment decision.

14. In addition to the above, my wife's family trusts, of which I am trustee, invested in Northridge by loaning funds to Northridge for improvements at specific properties, in particular the Timber Lake Apartments ("Timber Lake"). In return the trusts received interest payments of between 8% and 10%. These investments were memorialized in promissory notes. Attached as Exhibit B is a copy of the most recent renewal of the promissory note for the William E. Archer Trust. The note reflects \$320,000 invested with Northridge for improvements to be made at Timber Lake. Had I known that these funds would be used for anything other than improvements at Timber Lake, I likely would not have invested.

15. In November 2018, Mr. Mueller asked if I would be willing to provide capital for expansion of the parking lots at Timber Lake. I agreed that the family trusts would provide the capital, and the trusts invested a total of \$300,000 with Northridge for this purpose. Attached as

Exhibit C are copies of the promissory notes related to these investments. While the promissory notes make reference to the proceeds being used only for Timber Lake generally, based on my discussions with Mr. Mueller, it was specifically agreed that these funds would be used only for the parking lot improvements at Timber Lake. Had I known that these funds would be used for anything other than the parking lot or other bona fide improvements at Timber Lake, I likely would not have invested.

16. I understood that the interest payments paid to the family trusts were coming from cash flows being generated from Timber Lake. If I had known that interest payments were being made from any other source, including from the funds of other investors, I likely would not have invested.

#### **RECENT CONVERSATIONS WITH MR. MUELLER**

17. In late April 2019, Mr. Mueller called me in the Philippines where my wife and I were teaching. In my conversation with Mr. Mueller, he informed me that Northridge was the subject of investigations by various states and by the U.S. Securities and Exchange Commission ("SEC"). Mr. Mueller also informed me that the agencies conducting the investigations had requested contact information for investors in Northridge, letting me know that I might be contacted.

18. After my discussion with Mr. Mueller, in late April or early May 2019, I listened online to a recording of a call that Mr. Mueller had held with Northridge investors in which Mr. Mueller discussed the various securities investigations. As a result of listening to that recording, I learned for the first time that Northridge owed approximately \$40 million in promissory notes to other investors, in addition to the approximately \$40 million or more of outstanding mortgage debt and \$20 million in limited partnership interests. This concerned me because it seemed inconceivable that Northridge would spend \$40 million raised from promissory notes on the properties when the mortgage debt was almost the same amount.

19. From May 29 through May 31, I thereafter had conversations with Mr. Mueller, and with Carol Higgins, the Northridge Controller, about Northridge's finances. Specifically, I asked Mr. Mueller and Ms. Higgins whether Northridge could link the \$40 million in investor debt to improvements or other work done at specific properties owned by the limited partnerships.

20. They were unable to confirm that all of the funds were used on properties. Mr. Mueller could only explain some property or limited partnership-level expenses, but nothing consolidated for Northridge that would explain the use of the full \$40 million in promissory note funds. Ms. Higgins likewise could link some of the \$40 million in investor debt to specific properties, but she stated that unless an expenditure was specifically identified with a particular property – something that often was not done – she was unable to link expenditures with properties. Mr. Mueller explained that investor debt would be linked more completely with specific properties when those properties were sold, a final allocation of expenses was made, and limited partnership profit allocations was calculated.

21. Understanding that final allocations of the \$40 million in investor debt to properties was not then available, Mr. Mueller and I discussed, in general terms, whether there were non-property related expenses or cash outflows. Mr. Mueller identified some types of expenditures that were not directly related to real estate investments. Mr. Mueller indicated the need, when a property was sold, to allocate finder's fees and commissions to the property; I had no prior knowledge that a significant amount of money had been spent on such expenses. Mr. Mueller also explained that Northridge had been borrowing funds from the limited partnerships, based on estimated, unrealized profits. He also told me that he had invested in an unrelated technology company and made payments to support his brother (whom I already knew to be unable to work due to long-term health issues).

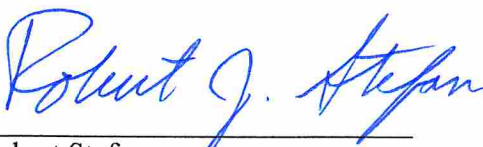
22. When I inquired further about the sufficiency of Northridge's cash flow, Mr.



Mueller informed me that since late 2018, Northridge had incurred a high level of legal expenses arising from litigation involving the sale of apartment buildings in Oak Park, Illinois. Those expenses drained much of Northridge's normal cash cushion, which impacted Northridge's ability to pay for legal fees associated with the states' and SEC's investigations. This description of the Northridge cash flow situation seemed inconsistent with Mr. Mueller's prior comments about how well Northridge was doing. For example, in late 2017, Mr. Mueller told me that Northridge had a reduced need for capital given how well the properties were operating and generating cash flow from increased rents and occupancy rates.

23. I concluded that Mr. Mueller could not answer my questions on the use of the \$40 million promissory note funds without significant accounting analyses that would have to track and allocate expenses over many years of transactions, which analyses had not previously been done and could not be completed quickly.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 19, 2019 in Rogersville, MO.

  
Robert Stefan



# **EXHIBIT A**

### MASTER PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, Amberwood Holdings, Ltd., hereinafter referred to either as AMBERWOOD or the DEBTOR, does hereby promise and agree to pay to the order of Robert J. Stefan and Marilyn J. Stefan, together hereinafter referred to as the LENDERS, the aggregate sum of One Million Nine Hundred Fourteen Thousand Three-Hundred Thirty-Four U.S. dollars (\$1,914,334.00) (hereinafter referred to as the PROCEEDS) together with interest on the unpaid principal balance at the rate of 10 percent per annum, or \$15,952.78 per month, payable to the LENDERS as set forth below (all terms in their entirety referred to as the MASTER NOTE).

Interest shall be paid by the DEBTOR to the LENDERS from January 1, 2018. Interest shall be computed on the basis of a year of 360 days. Such interest shall be paid monthly no later than 25 days after the end of each month. The REPAYMENT DATE of the PROCEEDS shall be December 31, 2020. All payments of interest and the repayment of the PROCEEDS shall be made to the LENDERS at the address shown below.

The principal and interest owed by the DEBTOR in connection with this MASTER NOTE shall be personally guaranteed by Glenn C. Mueller.

Glenn C. Mueller and Northridge Holdings Ltd. also agree to designate the LENDERS as the beneficiaries of One-Million U.S. dollars (\$1,000,000.00) of key man life insurance on the life of Glenn C. Mueller. Mr. Mueller and Northridge Holdings Ltd. agree to maintain such insurance in force while this MASTER NOTE is outstanding and provide the LENDERS with proof of coverage from time to time as the LENDERS may reasonably request. The cost of such key man life insurance shall be borne solely by Northridge Holdings Ltd. It is understood that the PROCEEDS of this MASTER NOTE shall be reduced by the amount of any life insurance proceeds received under this paragraph.

Glenn C. Mueller and Northridge Holdings Ltd. also agree to provide the LENDERS with the option, at the LENDERS' sole expense, to purchase up to One-Million U.S. dollars (\$1,000,000.00) of additional life insurance on the life of Glenn C. Mueller with the LENDERS as the beneficiaries. Mr. Mueller agrees to accommodate all reasonable requests for medical data and testing in connection with the purchase of such additional life insurance. The LENDERS agree to reimburse Mr. Mueller for any out of pocket costs incurred in connection with the purchase of such additional life insurance. In the event that life insurance proceeds are paid to

the LENDERS under this paragraph, the DEBTOR shall have the right, but not the obligation, to accelerate the REPAYMENT DATE to a date of the DEBTOR'S choosing, but not later than the REPAYMENT DATE set forth in this MASTER NOTE agreement.

AMBERWOOD, Glenn C. Mueller and Northridge Holdings Ltd. agree to provide the LENDERS, no later than six months after the end of each calendar year, annual financial data, as may reasonably be requested by the LENDERS, concerning the profitability, cash flows and net worth of each person or entity.

The Borrower will be deemed to be in default under this MASTER NOTE on the occurrence of any of the following events (each an EVENT OF DEFAULT): (i) on the DEBTOR's failure to make payments or transfer the PROCEEDS in accordance with the terms of this MASTER NOTE to the LENDERS; (ii) on the filing regarding the DEBTOR of any voluntary or involuntary petition for relief under the United States Bankruptcy Code or the initiation of any proceeding under federal law or law of any other jurisdiction for the general relief of debtors; or (iii) on the execution by the DEBTOR of an assignment for the benefit of creditors or the appointment of a receiver, custodian, trustee, or similar party to take possession of the DEBTOR's assets or property.

On the occurrence of an EVENT OF DEFAULT under (i) above, at the option of the LENDERS, all principal and other amounts owed under this MASTER NOTE shall become immediately due and payable provided that LENDERS have provided written notice to DEBTOR of its intent to declare a default and DEBTOR is provided thirty (30) days to cure said default, and the LENDERS, in addition to their rights and remedies under this MASTER NOTE, may pursue any legal or equitable remedies that are available to them. It is understood that an email from the LENDERS to Glenn C. Mueller at [gmueller@northridgetd.com](mailto:gmueller@northridgetd.com) shall constitute written notice for purposes of this paragraph. In the event of a change in Mr. Mueller's email address, Mr. Mueller shall notify the LENDERS promptly via email and in writing at the address provided below. Notice shall be effective as of the date and time of e-mail transmission, provided that, in the event the e-mail Notice is transmitted during non-business hours, the effective date and time of Notice is 9:00 a.m., as determined by DEBTOR's residence time zone, of the next Business Day after transmission.

On the occurrence of an EVENT OF DEFAULT under (ii) or (iii) above, all principal and other amounts owed under this MASTER NOTE shall become immediately due and payable without notice or additional demand by the LENDERS, and the LENDERS, in addition to their rights and remedies under this MASTER NOTE, may pursue any legal or equitable remedies that are available to them.


With the exception of the notice requirement on the occurrence of an EVENT OF DEFAULT under (i) above, the DEBTOR hereby waives presentment, demand, notice of dishonor, notice of default or delinquency, notice of protest and nonpayment, notice of costs, expenses or losses and interest thereon, notice of interest on interest and late charges, and diligence in taking any action to collect any sums owing under this MASTER NOTE, including (to the extent permitted by law) waiving the pleading of any statute of limitations as a defense to any demand against the undersigned.

For the purposes of this obligation, the undersigned does acknowledge that time of payment and performance shall be of the essence with respect to the obligations herein stated.

All references in this MASTER NOTE to the DEBTOR and the LENDERS shall be deemed to include, as applicable, a reference to their respective successors and assigns. The provisions of this MASTER NOTE shall be binding upon and shall inure to the benefit of the successors and assigns of the DEBTOR and the LENDERS.

Any notice or other communication provided for herein or given hereunder to a party hereto shall be in writing and shall be given in person, by overnight courier, or by mail (registered or certified mail, postage prepaid, return receipt requested) to the respective party as follows:

If to the LENDERS:

Robert J. Stefan  


If to the DEBTOR:

Glenn C. Mueller  
1020 W. Fullerton Ave., Ste. G  
Addison, IL 60101

This MASTER NOTE shall be governed as to validity, interpretation, construction, effect, and in all other respects by the laws and decisions of the State of Illinois, without regards to its conflict-of-law provisions. The DEBTOR hereby irrevocably consents to the jurisdiction of the courts of Du Page County, Illinois with respect to any matter arising under this MASTER NOTE, and further irrevocably consents to service of process by hand delivery to the address listed above for the DEBTOR:

This MASTER NOTE constitutes the final, complete, and exclusive statement of the agreement of the parties with respect to the subject matter hereof, and supersedes any and all other prior and contemporaneous agreements and understandings, both written and oral, between the parties.

The LENDERS' failure to exercise any right or remedy provided in this MASTER NOTE shall not be construed as a waiver of any future exercise of that right or exercise of any other right or remedy to which the LENDERS may be entitled.

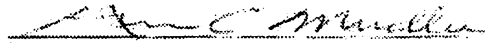
The prevailing party agrees to pay any and all costs incurred by the non-prevailing party in any actions taken relating to the terms of this MASTER NOTE, including reasonable attorneys' fees and court costs in addition to other amounts due, without protest of any kind.

If one or more of the provisions of this MASTER NOTE shall be declared or held to be invalid, illegal, or unenforceable in any respect in any jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and any such declaration or holding shall not invalidate or render unenforceable such provision in any other jurisdiction.

The DEBTOR herein does confirm that it has the legal authority to make and execute this instrument and to incur the indebtedness herein described and that the undersigned does in fact have lawful authority to make and execute this instrument for and on behalf of the DEBTOR and Northridge Holdings Ltd.

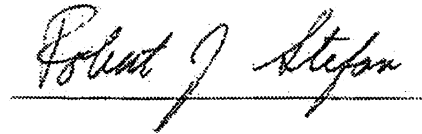
IN WITNESS WHEREOF, the parties have executed this MASTER NOTE as of the 4<sup>th</sup> day of January, 2018.

DEBTOR:  
Amberwood Holdings, Ltd.

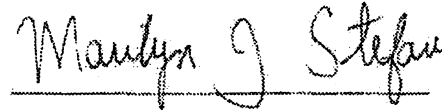


By  
Glenn C. Mueller, General Partner

LENDERS:

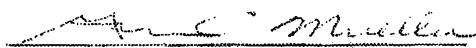


By  
Robert J. Stefan



By  
Marilyn J. Stefan

GUARANTOR:



By  
Glenn C. Mueller, an Individual

# **EXHIBIT B**

## PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, Northridge Holdings, Ltd., hereinafter referred to either as NORTHBRIDGE or the DEBTOR, does hereby promise and agree to pay to the order of the William E. Archer Trust, hereinafter referred to as the LENDER, the sum of Three Hundred Twenty Thousand U.S. dollars (\$320,000.00) (hereinafter referred to as the PROCEEDS) together with interest on the unpaid principal balance at the rate of 8 percent per annum, or \$2,133.33 per month, payable to the LENDER as set forth below (all terms in their entirety referred to as the NOTE).

Interest shall be paid by the DEBTOR to the LENDER with interest to accrue from January 1, 2018. Interest shall be computed on the basis of a year of 360 days. Such interest shall be paid monthly no later than 25 days after the end of each month. The REPAYMENT DATE of the PROCEEDS shall be December 31, 2020. All payments of interest and the repayment of the PROCEEDS shall be made to the Trustee of the LENDER at the address shown below.

It is agreed that the PROCEEDS shall be used only to refurbish and update apartments, structures and grounds at Timber Lake Apartments, West Chicago, IL.

The principal and interest owed by the DEBTOR in connection with this NOTE shall be personally guaranteed by Glenn C. Mueller, the President of Northridge Holdings, Ltd.

The Borrower will be deemed to be in default under this NOTE on the occurrence of any of the following events (each an EVENT OF DEFAULT): (i) on the DEBTOR's failure to make payments or transfer the PROCEEDS in accordance with the terms of this NOTE to the LENDER; (ii) on the filing regarding the DEBTOR of any voluntary or involuntary petition for relief under the United States Bankruptcy Code or the initiation of any proceeding under federal law or law of any other jurisdiction for the general relief of debtors; or (iii) on the execution by the DEBTOR of an assignment for the benefit of creditors or the appointment of a receiver, custodian, trustee, or similar party to take possession of the DEBTOR's assets or property.

On the occurrence of an EVENT OF DEFAULT under (i) above, at the option of the LENDER, all principal and other amounts owed under this NOTE shall become immediately due and payable provided that LENDER have provided written notice to DEBTOR of its intent to declare a default and DEBTOR is provided thirty (30) days to cure said default, and the LENDER, in addition to its rights and remedies under this NOTE, may pursue any legal or equitable remedies that are available to them. It is understood that an email from the Trustee of the LENDER to Glenn C. Mueller at [gmueller@northridgetd.com](mailto:gmueller@northridgetd.com) shall constitute written notice for purposes of this paragraph. In the event of a change in Mr. Mueller's email address, Mr. Mueller shall notify the Trustee of the LENDER promptly via email and in writing at the address provided below. Notice shall be effective as of the date and time of e-mail transmission, provided that, in the event the e-mail Notice is transmitted during non-business hours, the effective date and time of Notice is 9:00 a.m., as determined by DEBTOR's residence time zone, of the next Business Day after transmission.



On the occurrence of an EVENT OF DEFAULT under (ii) or (iii) above, all principal and other amounts owed under this NOTE shall become immediately due and payable without notice or additional demand by the LENDER, and the LENDER, in addition to its rights and remedies under this NOTE, may pursue any legal or equitable remedies that are available to them.

With the exception of the notice requirement on the occurrence of an EVENT OF DEFAULT under (i) above, the DEBTOR hereby waives presentment, demand, notice of dishonor, notice of default or delinquency, notice of protest and nonpayment, notice of costs, expenses or losses and interest thereon, notice of interest on interest and late charges, and diligence in taking any action to collect any sums owing under this NOTE, including (to the extent permitted by law) waiving the pleading of any statute of limitations as a defense to any demand against the undersigned.

For the purposes of this obligation, the undersigned does acknowledge that time of payment and performance shall be of the essence with respect to the obligations herein stated.

All references in this NOTE to the DEBTOR and the LENDER shall be deemed to include, as applicable, a reference to their respective successors and assigns. The provisions of this NOTE shall be binding upon and shall inure to the benefit of the successors and assigns of the DEBTOR and the LENDER.

Any notice or other communication provided for herein or given hereunder to a party hereto shall be in writing and shall be given in person, by overnight courier, or by mail (registered or certified mail, postage prepaid, return receipt requested) to the respective party as follows:

If to the LENDER:

Robert J. Stefan, Trustee  
William E. Archer Trust



If to the DEBTOR:

Glenn C. Mueller  
1020 W. Fullerton Ave., Ste. G  
Addison, IL 60101

This NOTE shall be governed as to validity, interpretation, construction, effect, and in all other respects by the laws and decisions of the State of Illinois, without regards to its conflict-of-law provisions. The DEBTOR hereby irrevocably consents to the jurisdiction of the courts of Du Page County, Illinois with respect to any matter arising under this NOTE, and further irrevocably consents to service of process by hand delivery to the address listed above for the DEBTOR.

This NOTE constitutes the final, complete, and exclusive statement of the agreement of the parties with respect to the subject matter hereof, and supersedes any and all other prior and contemporaneous agreements and understandings, both written and oral, between the parties.

The LENDER'S failure to exercise any right or remedy provided in this NOTE shall not be construed as a waiver of any future exercise of that right or exercise of any other right or remedy to which the LENDER may be entitled.

The prevailing party agrees to pay any and all costs incurred by the non-prevailing party in any actions taken relating to the terms of this NOTE, including reasonable attorneys' fees and court costs in addition to other amounts due, without protest of any kind.

If one or more of the provisions of this NOTE shall be declared or held to be invalid, illegal, or unenforceable in any respect in any jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and any such declaration or holding shall not invalidate or render unenforceable such provision in any other jurisdiction.

The DEBTOR herein does confirm that it has the legal authority to make and execute this instrument and to incur the indebtedness herein described and that the undersigned does in fact have lawful authority to make and execute this instrument for and on behalf of the DEBTOR.

IN WITNESS WHEREOF, the parties have executed this NOTE as of the 4<sup>th</sup> day of

January, 2018.

DEBTOR:  
Northridge Holdings, Ltd.

LENDER:  
William E. Archer Trust

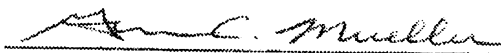


By  
Glenn C. Mueller, President



By  
Robert J. Stefan, Trustee

GUARANTOR:



By  
Glenn C. Mueller, an Individual

# **EXHIBIT C**

## PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, Northridge Holdings, Ltd., hereinafter referred to either as NORTHBRIDGE or the DEBTOR, does hereby promise and agree to pay to the order of the William E. Archer Trust, hereinafter referred to as the LENDER, the sum of One Hundred Eighty Thousand U.S. dollars (\$180,000.00)(hereinafter referred to as the PROCEEDS) together with interest on the unpaid principal balance at the rate of 10 percent per annum, or \$1,500.00 per month, payable to the LENDER as set forth below (all terms in their entirety referred to as the NOTE).

Interest shall be paid by the DEBTOR to the LENDER with interest to accrue from November 19, 2018. Interest shall be computed on the basis of a year of 360 days. Such interest shall be paid monthly no later than 25 days after the end of each month. The REPAYMENT DATE of the PROCEEDS shall be November 30, 2020. All payments of interest and the repayment of the PROCEEDS shall be made to the Trustee of the LENDER at the address shown below.

It is agreed that the PROCEEDS shall be used only to refurbish and update apartments, structures and grounds at Timber Lake Apartments, West Chicago, IL.

The principal and interest owed by the DEBTOR in connection with this NOTE shall be personally guaranteed by Glenn C. Mueller, the President of Northridge Holdings, Ltd.

The Borrower will be deemed to be in default under this NOTE on the occurrence of any of the following events (each an EVENT OF DEFAULT): (i) on the DEBTOR's failure to make payments or transfer the PROCEEDS in accordance with the terms of this NOTE to the LENDER; (ii) on the filing regarding the DEBTOR of any voluntary or involuntary petition for relief under the United States Bankruptcy Code or the initiation of any proceeding under federal law or law of any other jurisdiction for the general relief of debtors; or (iii) on the execution by the DEBTOR of an assignment for the benefit of creditors or the appointment of a receiver, custodian, trustee, or similar party to take possession of the DEBTOR's assets or property.

On the occurrence of an EVENT OF DEFAULT under (i) above, at the option of the LENDER, all principal and other amounts owed under this NOTE shall become immediately due and payable provided that LENDER have provided written notice to DEBTOR of its intent to declare a default and DEBTOR is provided thirty (30) days to cure said default, and the LENDER, in addition to its rights and remedies under this NOTE, may pursue any legal or equitable remedies that are available to them. It is understood that an email from the Trustee of the LENDER to Glenn C. Mueller at [gmueller@northridgetld.com](mailto:gmueller@northridgetld.com) shall constitute written notice for purposes of this paragraph. In the event of a change in Mr. Mueller's email address, Mr. Mueller shall notify the Trustee of the LENDER promptly via email and in writing at the address provided below. Notice shall be effective as of the date and time of e-mail transmission, provided that, in the event the e-mail Notice is transmitted during non-business hours, the effective date and time of Notice is 9:00 a.m., as determined by DEBTOR's residence time zone, of the next Business Day after transmission.

On the occurrence of an EVENT OF DEFAULT under (ii) or (iii) above, all principal and other amounts owed under this NOTE shall become immediately due and payable without notice or additional demand by the LENDER, and the LENDER, in addition to its rights and remedies under this NOTE, may pursue any legal or equitable remedies that are available to them.

With the exception of the notice requirement on the occurrence of an EVENT OF DEFAULT under (i) above, the DEBTOR hereby waives presentment, demand, notice of dishonor, notice of default or delinquency, notice of protest and nonpayment, notice of costs, expenses or losses and interest thereon, notice of interest on interest and late charges, and diligence in taking any action to collect any sums owing under this NOTE, including (to the extent permitted by law) waiving the pleading of any statute of limitations as a defense to any demand against the undersigned.

For the purposes of this obligation, the undersigned does acknowledge that time of payment and performance shall be of the essence with respect to the obligations herein stated.

All references in this NOTE to the DEBTOR and the LENDER shall be deemed to include, as applicable, a reference to their respective successors and assigns. The provisions of this NOTE shall be binding upon and shall inure to the benefit of the successors and assigns of the DEBTOR and the LENDER.

Any notice or other communication provided for herein or given hereunder to a party hereto shall be in writing and shall be given in person, by overnight courier, or by mail (registered or certified mail, postage prepaid, return receipt requested) to the respective party as follows:

If to the LENDER:

Robert J. Stefan, Trustee  
William E. Archer Trust

[REDACTED]

If to the DEBTOR:

Glenn C. Mueller  
1020 W. Fullerton Ave., Ste. G  
Addison, IL60101

This NOTE shall be governed as to validity, interpretation, construction, effect, and in all other respects by the laws and decisions of the State of Illinois, without regards to its conflict-of-law provisions. The DEBTOR hereby irrevocably consents to the jurisdiction of the courts of Du Page County, Illinois with respect to any matter arising under this NOTE, and further irrevocably consents to service of process by hand delivery to the address listed above for the DEBTOR.

This NOTE constitutes the final, complete, and exclusive statement of the agreement of the parties with respect to the subject matter hereof, and supersedes any and all other prior and contemporaneous agreements and understandings, both written and oral, between the parties.

The LENDER'S failure to exercise any right or remedy provided in this NOTE shall not be construed as a waiver of any future exercise of that right or exercise of any other right or remedy to which the LENDER may be entitled.



The prevailing party agrees to pay any and all costs incurred by the non-prevailing party in any actions taken relating to the terms of this NOTE, including reasonable attorneys' fees and court costs in addition to other amounts due, without protest of any kind.

If one or more of the provisions of this NOTE shall be declared or held to be invalid, illegal, or unenforceable in any respect in any jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and any such declaration or holding shall not invalidate or render unenforceable such provision in any other jurisdiction.

The DEBTOR herein does confirm that it has the legal authority to make and execute this instrument and to incur the indebtedness herein described and that the undersigned does in fact have lawful authority to make and execute this instrument for and on behalf of the DEBTOR.

IN WITNESS WHEREOF, the parties have executed this NOTE as of the 19th day of

November, 2018.

DEBTOR:  
Northridge Holdings, Ltd.

LENDER:  
William E. Archer Trust



By  
Glenn C. Mueller, President



By  
Robert J. Stefan, Trustee

GUARANTOR:



By  
Glenn C. Mueller, an Individual

## PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, Northridge Holdings, Ltd., hereinafter referred to either as NORTHBRIDGE or the DEBTOR, does hereby promise and agree to pay to the order of the Dorothy N. Archer Trust, hereinafter referred to as the LENDER, the sum of One Hundred Eighty Thousand U.S. dollars (\$120,000.00) (hereinafter referred to as the PROCEEDS) together with interest on the unpaid principal balance at the rate of 10 percent per annum, or \$1,000.00 per month, payable to the LENDER as set forth below (all terms in their entirety referred to as the NOTE).

Interest shall be paid by the DEBTOR to the LENDER with interest to accrue from November 19, 2018. Interest shall be computed on the basis of a year of 360 days. Such interest shall be paid monthly no later than 25 days after the end of each month. The REPAYMENT DATE of the PROCEEDS shall be November 30, 2019. All payments of interest and the repayment of the PROCEEDS shall be made to the Trustee of the LENDER at the address shown below.

It is agreed that the PROCEEDS shall be used only to refurbish and update apartments, structures and grounds at Timber Lake Apartments, West Chicago, IL.

The principal and interest owed by the DEBTOR in connection with this NOTE shall be personally guaranteed by Glenn C. Mueller, the President of Northridge Holdings, Ltd.

The Borrower will be deemed to be in default under this NOTE on the occurrence of any of the following events (each an EVENT OF DEFAULT): (i) on the DEBTOR's failure to make payments or transfer the PROCEEDS in accordance with the terms of this NOTE to the LENDER; (ii) on the filing regarding the DEBTOR of any voluntary or involuntary petition for relief under the United States Bankruptcy Code or the initiation of any proceeding under federal law or law of any other jurisdiction for the general relief of debtors; or (iii) on the execution by the DEBTOR of an assignment for the benefit of creditors or the appointment of a receiver, custodian, trustee, or similar party to take possession of the DEBTOR's assets or property.

On the occurrence of an EVENT OF DEFAULT under (i) above, at the option of the LENDER, all principal and other amounts owed under this NOTE shall become immediately due and payable provided that LENDER have provided written notice to DEBTOR of its intent to declare a default and DEBTOR is provided thirty (30) days to cure said default, and the LENDER, in addition to its rights and remedies under this NOTE, may pursue any legal or equitable remedies that are available to them. It is understood that an email from the Trustee of the LENDER to Glenn C. Mueller at [gmueller@northridgetld.com](mailto:gmueller@northridgetld.com) shall constitute written notice for purposes of this paragraph. In the event of a change in Mr. Mueller's email address, Mr. Mueller shall notify the Trustee of the LENDER promptly via email and in writing at the address provided below. Notice shall be effective as of the date and time of e-mail transmission, provided that, in the event the e-mail Notice is transmitted during non-business hours, the effective date and time of Notice is 9:00 a.m., as determined by DEBTOR's residence time zone, of the next Business Day after transmission.



On the occurrence of an EVENT OF DEFAULT under (ii) or (iii) above, all principal and other amounts owed under this NOTE shall become immediately due and payable without notice or additional demand by the LENDER, and the LENDER, in addition to its rights and remedies under this NOTE, may pursue any legal or equitable remedies that are available to them.

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If to the LENDER:

Robert J. Stefan, Trustee  
Dorothy N. Archer Trust

[REDACTED]

If to the DEBTOR:

Glenn C. Mueller  
1020 W. Fullerton Ave., Ste. G  
Addison, IL60101

This NOTE shall be governed as to validity, interpretation, construction, effect, and in all other respects by the laws and decisions of the State of Illinois, without regards to its conflict-of-law provisions. The DEBTOR hereby irrevocably consents to the jurisdiction of the courts of Du Page County, Illinois with respect to any matter arising under this NOTE, and further irrevocably consents to service of process by hand delivery to the address listed above for the DEBTOR.

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The LENDER'S failure to exercise any right or remedy provided in this NOTE shall not be construed as a waiver of any future exercise of that right or exercise of any other right or remedy to which the LENDER may be entitled.

The prevailing party agrees to pay any and all costs incurred by the non-prevailing party in any actions taken relating to the terms of this NOTE, including reasonable attorneys' fees and court costs in addition to other amounts due, without protest of any kind.

If one or more of the provisions of this NOTE shall be declared or held to be invalid, illegal, or unenforceable in any respect in any jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and any such declaration or holding shall not invalidate or render unenforceable such provision in any other jurisdiction.

The DEBTOR herein does confirm that it has the legal authority to make and execute this instrument and to incur the indebtedness herein described and that the undersigned does in fact have lawful authority to make and execute this instrument for and on behalf of the DEBTOR.

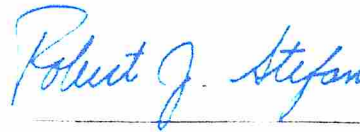
IN WITNESS WHEREOF, the parties have executed this NOTE as of the 19th day of November, 2018.

DEBTOR:  
Northridge Holdings, Ltd.

LENDER:  
Dorothy N. Archer Trust



By  
Glenn C. Mueller, President



By  
Robert J. Stefan, Trustee

GUARANTOR:



By  
Glenn C. Mueller, an Individual