

1 HUNSAKER & PALECEK, P.L.L.C.
2 ATTORNEYS AT LAW
3 3033 NORTH 44TH STREET, #269
4 PHOENIX, ARIZONA 85018
5 PHONE: (602) 522-2454
6 FAX: (602) 522-2349
7 KAREN A. HUNSAKER #011944
8 KIMBERLY A. ENRIGHT #025042
9 Attorneys for KGM Builders, Inc.

10 UNITED STATES BANKRUPTCY COURT
11 DISTRICT OF ARIZONA

12 In re:)
13) Chapter 11 Case
14 MORTGAGES LTD.) Case No. 2:08-bk-07465-RJH
15)
16 Debtor.)
17)
18)
19)
20)
21)
22)
23)
24)
25)
26)

27 **KGM BUILDERS, INC.'S 11 U.S.C. § 546(b)(2) NOTICE REGARDING THE**
28 **FOLLOWING NOTICE AND CLAIM OF MECHANICS' AND MATERIALMEN'S LIEN:**
29 **KGM #2008-0781638 RECORDED ON 9/9/08, MARICOPA COUNTY, ARIZONA**

30 KGM BUILDERS, INC. ("KGM"), pursuant to 11 U.S.C. § 546(b)(2), and within the six-
31 month time period fixed by Arizona law and in lieu of the commencement of a civil action against
32 MORTGAGES, LTD., hereby provides **Notice** of its perfection or continued perfection of its
33 mechanics' and materialmen's lien against the property described in the following Notice and
34 Claim of Mechanics' and Materialmen's Lien: **#2008-0781638 Recorded on 9/9/08, Maricopa**
35 **County Recorder's Office, Arizona**, and attached hereto as **Exhibit "A"**. The rights of KGM
36 arise from Arizona's mechanics' lien statutes, including A.R.S. §§ 33-981, *et seq.*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

DATED this 26th day of October, 2009.

HUNSAKER & PALECEK, P.L.L.C.

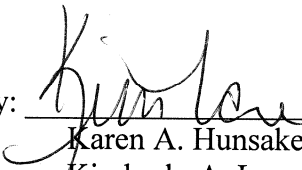
By: 
Karen A. Hunsaker
Kimberly A. Lane
3033 North 44th Street, #269
Phoenix, AZ 85018
Attorneys for KGM

EXHIBIT A



OFFICIAL RECORDS OF
 MARICOPA COUNTY RECORDER
 HELEN PURCELL
 2008-0781638 09/09/08 04:19 PM
 1 OF 1

GARCIAC

When recorded mail to:

KAREN A. HUNSAKER, Esq.
 HUNSAKER & PALECEK, P.L.L.C.
 3033 N. 44th Street, Suite 269
 Phoenix, AZ 85018

NOTICE AND CLAIM OF MECHANICS' AND MATERIALMEN'S LIEN

CLAIMANT (name, address, zip code)

KGM Builders, Inc.
 2424 West Missouri
 Phoenix, Arizona 85015

**OWNER(S)/REPUTED OWNER(S)
 (name, address, zip code)**

Central & Monroe, LLC
 9500 East Ironwood Square Drive #201
 Scottsdale, AZ 85258

**CONSTRUCTION LENDER(S)
 (name, address, zip code)**

Mortgages Ltd.
 4455 East Camelback Road
 Phoenix, AZ 85018

SUBJECT REAL PROPERTY (address and legal description):

Hotel Monroe
 15 East Monroe Street
 Phoenix, AZ 85004

Lots 7, 9, and 11, Block 8, ORIGINAL TOWNSITE OF PHOENIX, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 2 of Maps, page 51; EXCEPT any mine for gold, silver, cinnabar, copper or lead or any valid mining claim or possession held under the existing laws of Congress.

Parcel #'s: 112-28-043 and 112-28-041

NATURE OF IMPROVEMENTS

General Contracting Labor and Materials

Amount of claim after deducting just credits and offsets (reasonable value of labor/materials provided)

\$277,265.57 principal plus prompt pay interest pursuant to A.R.S. §32-1129.01, and reasonable attorneys' fees pursuant to A.R.S. §33-998(B)

AFFIANT SWEARS:

1. I am authorized by Claimant to make this affidavit on behalf of Claimant in compliance with A.R.S. §33-981, et seq. Claimant is required to be licensed as a contractor by the Arizona Registrar of Contractors. Claimant is licensed under a B-01 General Commercial Engineering license, license number ROC132276.
2. Claimant first supplied labor and materials to the construction project on November 15, 2006. Claimant supplied labor and materials for the construction, alteration or repair of the buildings or other structures or improvements of a nature described above, on the property described above. This was done at the request of the Owner, Central & Monroe, LLC, 9500 East Ironwood Square Drive #201, Scottsdale, AZ 85258.
3. The labor and materials were furnished pursuant to a written contract and invoices attached hereto as Exhibit A and incorporated herein by reference, which state or imply the terms, time given and conditions relevant thereto.
4. Upon information and belief, a Notice of Completion has not been recorded and the project is not yet complete.
5. A copy of the Preliminary 20-Day Notice and a copy of the proof of service required by A.R.S. §33-992 are attached hereto as Exhibit B. The Preliminary 20-Day Notice was served on the Owner, Central & Monroe, LLC, 9500 East Ironwood Square Drive #201, Scottsdale, AZ 85258 and on the Lender, Mortgages Ltd., 4455 East Camelback Road, Phoenix, AZ 85018 on or about the 9th day of June, 2007.

WHEREFORE, Claimant demands a lien on the subject real property and all improvements thereof in the amount of the claim and claims the benefit of the laws of the State of Arizona relating to the liens of labor, materialmen, mechanics, and others; and in order to fix this lien, has made this Notice and Claim of Lien in two or more duplicate copies; causing one thereof to be recorded in the Office of the County Recorder of this County and causing the others to be served upon the Owner(s) or Reputed Owner(s) if they can be found in said County.

Karen A. Hunsaker
Signature of Attorney for Claimant

Verification of: Karen A. Hunsaker

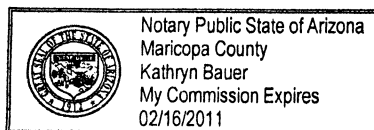
Date of Verification: 9/9/08

STATE OF ARIZONA)
) ss.
County of Maricopa)

This instrument was subscribed and sworn to before me as an affidavit on this date by the person above described who stated that she had read this instrument and knew of her own knowledge that the facts stated therein are true and correct and for the purposes therein stated.

My Commission Expires:

2/16/2011



Kathryn Bauer
Notary Public