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6  
7 IN THE UNITED STATES BANKRUPTCY COURT  
8 FOR THE DISTRICT OF ARIZONA

9 In re

10 MORTGAGES LTD.,

11 Debtor.

Chapter 11

Case No. 2:08-bk-07465-RJH

12 **REQUEST FOR HEARING ON OBJECTIONS**  
13 **TO STIPULATED ORDER APPROVING THE**  
14 **RELEASE OF MONEY FROM CHATEAUX**  
15 **SALE ESCROW**

16 ML Manager LLC (“ML Manager”) has lodged a “Stipulated Order Approving the  
17 Release of Money From Chateaux Sale Escrow” which has been agreed to by ML  
18 Manager, the ML Liquidating Trustee, ML Servicing Co. and Gold Creek Inc.” on June  
19 11, 2010 (Docket No.2779). Two limited objections were filed to the Stipulated Order.  
20 See Sun Valley Masonry’s Limited Objection (Docket No. 2780) and KCG’s Limited  
21 Objection (Docket No.2785). The parties have been unable to consensually resolve the  
22 objections and therefore ML Manager requests that the Court set a hearing on June 30 or  
23 July 1, 2010 so that the parties can promptly come before the Court. The issues are very  
24 narrow and can likely be heard in no more than 15 minutes.

25 ML Manager will be paid money from the Stipulated Order and plans to use a  
26 significant amount of those proceeds to pay down the Exit Financing which accrues  
interest at the rate of 17.5% interest per annum and possibly to pay the repayment  
incentive fee which may be due in July. Delay injures the investors and ML Manager.

1 Therefore ML Manager requests a prompt hearing. ML Manager already has a hearing  
2 before this Court on June 30 at 10 am, and the Court could use a part of the time for this  
3 matter or if the Court has other time available the afternoon of June 30 or anytime on July  
4 1 then ML Manager requests a hearing during that time as well.

5 ML Manager also asserts a prompt hearing to resolve the Stipulated Order is  
6 appropriate because the Court has already heard and approved the original sale on  
7 February 25, 2010, after notice and hearing. See “Order Approving Joint Motion to Sell  
8 Real Property Free and Clear of Liens, Claims, Encumbrances, and Interests” dated  
9 February 25, 2010 (Docket No. 2676). The sale closed and the sale proceeds have been  
10 escrowed all this time at First American Title Company pending a resolution with ML  
11 Manager, the ML Liquidating Trust, and Gold Creek. This Stipulated Order which was  
12 negotiated between ML Manager, the ML Liquidating Trust and Gold Creek provides  
13 funds for ML Manager and the ML Liquidating Trust but does not negatively impact the  
14 Mechanics Lien Claimants. Sufficient sums are left subject to their liens so that Gold  
15 Creek and the Mechanic Lien Claimants can resolve their disputes. This Stipulated Order  
16 will remove ML Manager and the Liquidating Trust from the continuing dispute.

17 DATED: June 25, 2010

18 FENNEMORE CRAIG, P.C.

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20 By /s/ Cathy Reece  
21 Cathy L. Reece  
22 Keith L. Hendricks  
23 Attorneys for ML Manager LLC

24 COPY of the foregoing emailed  
25 this 25th day of June, 2010 to the following:

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