

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA**

**Minute Entry**

**Hearing Information:**

**Debtor:** Mortgages Ltd.  
**Case Number:** 2:08-bk-07465-RJH                      **Chapter:** 11  
**Date / Time / Room:** WEDNESDAY, JUNE 30, 2010 10:30 AM 6TH FLOOR #603  
**Bankruptcy Judge:** RANDOLPH J. HAINES  
**Courtroom Clerk:** LUANN BELLER  
**Reporter / ECR:** SHERI FLETCHER

**Matters:**

- 1) ROBERT FURST'S MOTION FOR ENTRY OF ORDER CONFIRMING THAT ALL INVESTORS IN THE GP PROPERTIES CAREFREE CAVE CREEK LOAN ORIGINATED BY THE MORTGAGES LTD 401K PLAN HAVE TERMINATED THEIR AGENCY AGREEMENTS WITH ML MANAGER  
**R / M #:** 2,716 / 0
  
- 2) MOTION FOR ENTRY OF ORDER COMPELLING TURNOVER OF FUNDS BEING IMPROPERLY WITHHELD BY ML MANAGER FILED BY REV OP  
**R / M #:** 2,771 / 0
  
- 3) EXPEDITED HEARING ON OBJECTION TO THE PROPOSED STIPULATED ORDER APPROVING THE RELEASE OF MONEY FROM THE CHATEAUX SALE ESCROW  
**R / M #:** 2,779 / 0

**Appearances:**

ROBERT G. FURST, ATTORNEY FOR R. FURST  
CATHY L. REECE, ATTORNEY FOR ML MANAGER  
JILL HULSIZER, ATTORNEY FOR ML LIQUIDATING TRUST  
BRYCE SUZUKI, ATTORNEY FOR MORLEY ROSENFELD  
ROBERT SHULL, ATTORNEY FOR GOLD CREEK  
DON ENNIS, ATTORNEY FOR SUN VALLEY MASONRY  
AMANDA CHUA, ATTORNEY FOR OTIS ELEVATOR  
BRYAN ALBUE, ATTORNEY KCG REW MATERIALS

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**Proceedings:**

ITEM #1

Ms. Reece informed the Court that the parties agree to continue this hearing for 30 days.

Mr. Furst agreed.

COURT: IT IS ORDERED CONTINUING THIS HEARING TO AUGUST 2, 2010. A REPLY, IF ANY MUST BE FILED BY JULY 9, 2010.

ITEM #3

Ms. Reece reviewed this this matter for the Court.

Mr. Shull explained what the parties have agreed to as far as the language is concerned.

Mr. Ennis commented as to the language issue.

COURT: IT IS ORDERED APPROVING THE STIPULATED ORDER WITH THE CHANGES TO PARAGRAPH 12. MS. REECE MAY UPLOAD A FORM OF ORDER.

ITEM #2

Mr. Suzuki urged his motion, stating that there is no reason not to disburse the funds.

Ms. Reece responded, stating that she believes there will be an amount to turn over, but it will be less the charge back.

Ms. Suzuki replied.

COURT: IT IS ORDERED GRANTING THE MOTION AND THE DISTRIBUTION IS TO BE MADE BY SEPTEMBER 1, 2010 WITH AN ACCOUNTING OF THE CHARGE BACKS AMOUNT AND THE METHODOLOGY AS TO HOW THE AMOUNTS WERE DETERMINED.

IT IS FURTHER ORDERED SETTING A HEARING ON ORAL ARGUMENT ON THE CHARGE BACK ISSUE ON SEPTEMBER 21, 2010 AT 1:30 P.M. ALLOWING ONE HOUR. OBJECTIONS TO THE CHARGE BACK MUST BE FILED BY SEPTEMBER 10, 2010 AND A RESPONSE IS DUE BY SEPTEMBER 17, 2010. MS. REECE IS DIRECTED TO GET NOTICE TO OTHER INVESTORS THAT MAY BE IN THE SAME SITUATION BY SEPTEMBER 1, 2010 AND INCLUDE

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THE METHODOLOGY.