

IT IS HEREBY ADJUDGED and
DECREED this is SO ORDERED.

The party obtaining this order is responsible
for noticing it pursuant to Local Rule 9022-1.

Dated: June 21, 2011



Randolph J. Haines

Randolph J. Haines, Bankruptcy Judge

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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

**ORDER APPROVING MOTION TO SELL
REAL PROPERTY**

**Real Property and Improvements and Personal
Property located at 2269 Hwy 260, Overgaard,
Arizona, known as Bison Retreat Center**

**Hearing Date: June 15, 2011
Hearing Time: 1:30 p.m.**

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15 ML Manager LLC ("ML Manager") filed a Motion (Docket No. 3230) and a
16 Supplement (Docket No. 3240) ("Motion") requesting that the Court enter an order
17 authorizing ML Manager as the manager for Bison Loan LLC and the agent for certain
18 non-transferring pass-through investors, to sell the property located at 2269 Hwy 260,
19 Overgaard, Arizona, known as the Bison Retreat Center, which is more specifically
20 described in the Sale Agreement (the "Property") for the price and on the terms set forth
21 in the Sale Agreement which is attached to the Motion ("Sale Agreement"). Among other
22 things, the Sale Agreement provides for the sale of the Property for \$450,000 to North
23 Valley Romanian Pentecostal Church, Inc. ("Purchaser"). A notice to creditors, interested
24 parties and the non-transferring pass-through investors of the Motion and the hearing date
25 was served. No objections were filed. The hearing was held on the Motion on June 15,
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1 2011 at 1:30 p.m. in Phoenix and the Court at the conclusion of the hearing made findings
2 of fact and conclusions of law on the record.

3 Upon consideration of the Motion and statements and arguments of counsel at the
4 hearing; it appears to the Court and the Court finds that:

5 (a) This Court has jurisdiction over the issues presented in the Motion, and the
6 Motion and the Court's hearing thereon were duly and properly noticed;

7 (b) The purchase price offered constitutes fair consideration for the Property;

8 (c) The investors in Bison Loan LLC and the applicable MP Fund have agreed
9 by the applicable dollar vote to the sale terms;

10 (d) The ML Manager LLC is authorized to enter into the Sale Agreement, to
11 sell the Property pursuant to the terms of the Sale Agreement, to proceed with this sale
12 and to execute all necessary documents to implement the sale;

13 (e) The decision to sell and enter into the Sale Agreement is supported by the
14 best exercise of business judgment of ML Manager which is consistent with ML
15 Manager's fiduciary duties and responsibilities.

16 IT IS THEREFORE ORDERED THAT:

17 (1) The Motion is granted and approved.

18 (2) ML Manager, as the Manager of Bison Loan LLC and as Agent for the pass-
19 through investors has authority and is directed to enter into the Sale Agreement, to
20 consummate the sale, to sell the Property pursuant to the terms of the Sale Agreement, to
21 execute the conveyance deed to the Purchaser and to execute any and all documents
22 needed to consummate the sale.

23 (4) ML Manager is authorized to pay out of the sale proceeds all costs of sale,
24 including real property taxes, assessments, broker's fees, title insurance or other closing
25 costs and to pay out of the Bison Loan LLC proceeds any liens or encumbrances on the
26 Property owed to the current exit lender pursuant to the Loan Agreement, and to create

1 and use any Permitted Reserves out of the Bison Loan LLC proceeds pursuant to the Loan
2 Agreement.

3 (5) The purchase price is fair consideration for the Property.

4 (6) The net sale proceeds attributable to the ownership percentage for the Bison
5 Loan LLC shall be transferred at closing to the ML Manager as the Manager for the Bison
6 Loan LLC and used pursuant its agreements, the Interborrower Agreement and the
7 Confirmation Order. The net sale proceeds attributable to the ownership percentage for
8 the non-transferring pass-through investors shall be transferred to ML Manager as their
9 Agent and held pending further motion of ML Manager and order of the Court. The net
10 sale proceeds attributable to the Mortgages Ltd. 401(k) Plan ownership percentage shall
11 be transferred at closing to the Mortgages Ltd. 401(k) Plan, provided however, that as the
12 last principal is paid by the Purchaser from the Seller Carryback which is secured by a
13 Deed of Trust, the parties shall set up a mutually agreed upon escrow and deposit into the
14 escrow an amount sufficient to cover the Mortgages Ltd. 401(k) Plan's share of the Total
15 Estimated Costs allocable to the Bisontown Loan under the Allocation Model (in no event
16 will the escrowed amount exceed \$59,048.75). ML Manager and the Mortgages Ltd.
17 401(k) Plan reserve any and all arguments and rights they have as to any and all issues
18 pending in the United States District Court lawsuit.

19 DATED AND ORDERED AS STATED ABOVE.

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