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10 IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA

11 In re  
12 MORTGAGES LTD.,  
13 Debtor.

Chapter 11  
Case No. 2:08-bk-07465-RJH

**EMERGENCY MOTION ACCELERATING  
HEARING AND SHORTENING NOTICE ON  
MOTION TO MODIFY PORTALES PLACE  
SALE AGREEMENT**

**Real Property consisting of approximately 9.7  
acres located west of the northwest corner of  
Goldwater Drive and Scottsdale Road in  
Scottsdale, Arizona, known as the northwest  
quadrant of Portales Place**

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19 ML Manager LLC (“ML Manager”), files its Emergency Motion Accelerating  
20 Hearing and Shortening Notice (“Emergency Motion”) on its Motion To Modify Portales  
21 Place Sale Agreement [Docket No. 3352] (“Motion to Modify”). This Court has another  
22 matter on its calendar for hearing in this case on November 22, 2011 at 1:30 p.m. As  
23 explained below, ML Manager requests that the Court shorten the notice and accelerate  
24 the hearing on this Motion to Modify so it can be heard on November 22. As explained in  
25 the Motion to Modify, ML Manager filed a Motion Sell [Docket No. 3145] requesting a  
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1 sale order for the Property and approval of the Sale Agreement which was attached to the  
2 Motion. On May 2, 2011, the Court held the hearing and approved the sale pursuant to the  
3 Sale Agreement. The Order was signed and entered on May 9, 2011 [Docket No. 3200].  
4 The sale has not closed.

5 In conducting its due diligence, the Buyer encountered objection from the  
6 developer under the CCRs and from the City of Scottsdale which required the Buyer to  
7 have to change its use and density for the Property. Rather than terminate the purchase,  
8 the Buyer and ML Manager negotiated a reduction of the Purchase Price from  
9 \$14,665,000 to \$13,877,500 subject to the price being adjusted upward if the Buyer  
10 subsequently obtains approval from the City of Scottsdale for the development of more  
11 than 369 residential units on the Property within 3 years from the Closing Date. It is  
12 possible with obtaining approvals for additional units during the next 3 years that the  
13 Buyer could pay ML Manager an additional amount which in the long run could recover  
14 for ML Manager all of the reduction in the original purchase price. On the other hand, it is  
15 also possible that the Buyer will not obtain approval from the City of Scottsdale and so no  
16 additional amount will be paid. This adjustment and provision is reflected in an  
17 amendment to the Sale Agreement. The Fifth Amendment to Agreement of Sale and  
18 Purchase (“Amendment”) is attached to the Motion to Modify as Exhibit A and  
19 incorporated by reference.

20 While it may not be necessary to seek approval for this Amendment as the original  
21 Sale Agreement allowed the parties to enter into modifications and amendments, because  
22 it involves a downward adjustment of the Purchase Price of approximately \$787,500 on a  
23 total price of \$14,665,000, ML Manager decided to seek Court approval of the  
24 Amendment. ML Manager is also seeking the approval of the Amendment from the PPP  
25 Loan LLC. The vote is being solicited and will be completed by the hearing date.

26 If this Amendment is approved then it is possible that the sale could close in mid-

1 December, 2011. If it is not approved then it is possible that ML Manager will lose this  
2 opportunity to close the sale and sell the Property. ML Manager asserts that good cause  
3 exists to shorten notice which would be reduced to 11 days and accelerate the hearing.

4 WHEREFORE, ML Manager LLC requests that the Court enter an order  
5 accelerating the hearing and shortening the notice as requested above on the Motion to  
6 Modify and grant such other and further relief as is just and proper under the  
7 circumstances.

8 DATED: November 10, 2011

9 FENNEMORE CRAIG, P.C.

10 By /s/ Cathy L. Reece  
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12 Attorneys for ML Manager LLC

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