

1 FENNEMORE CRAIG, P.C.
Cathy L. Reece (005932)
2 3003 N. Central Ave., Suite 2600
Phoenix, Arizona 85012
3 Telephone: (602) 916-5343
Facsimile: (602) 916-5543
4 Email: creece@fclaw.com

5 MOYES SELLERS & HENDRICKS
Keith L. Hendricks (012750)
6 1850 N. Central Ave., Suite 1100
Phoenix, Arizona 85004
7 Telephone: (602) 604-2120
Email: khendricks@law-msh.com

8 Attorneys for ML Manager LLC

9
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

**MOTION TO EXTEND DEADLINE BY AN
ADDITIONAL 2 BUSINESS DAYS TO MAKE
DISTRIBUTIONS TO REV OPS OF AZ CL
AND PDG LOS ARCOS UNDISPUTED
PROCEEDS**

14
15
16
17
18 ML Manager LLC (“ML Manager”), as the manager for all the Loan LLCs and the
19 MP Funds and the agent for all of the Pass-Through Investors, hereby files this Motion to
20 Extend Deadline by An Additional 2 Business Days to Make Distributions of Undisputed
21 Proceeds to certain objecting Rev Ops in AZ CL and PDG Los Arcos sales (“Motion”).
22

23 As the Court may remember a “Motion For Entry of an Order Compelling ML
24 Manager LLC to (1) Disburse Undisputed Funds, and (2) Resolve its Conflict of Interest
25 With Respect to the Proceeds of the MK I and MK II Loans” (Docket No. 3430) was filed
26 by certain Rev Op Investors. The Court at the hearing on March 14, 2011 denied the

1 request as it related to the MK I and MK II, and granted the portion of the request related
2 to the distributions on two of the loans. The Court in the signed Minute Entry stated “It is
3 ordered granting the Motion. ML Manager shall make a distribution on undisputed
4 portions of AZ CL and PDG Los Arcos by Friday April 13, 2011 without prejudice to ML
5 Manager filing a motion to extend the deadline if it needs to for a demonstrated reason.”
6 (Docket No. 3482)(emphasis added).

7
8 Since the hearing, ML Manager has completed the updates of the Allocation Model
9 as represented to the Court. ML Manager has transferred over \$22 million to Canyon
10 State Servicing for the processing and payment of the checks to the approximate 1800
11 investors pursuant to the updated Allocation Model. Included in those funds are the
12 undisputed proceeds to be paid to certain Rev Ops in the AZ CL and PDG Los Arcos.
13 Canyon State Service has stated that because of the complexity of the task and the huge
14 number of checks to be prepared and written and issued through the computerized system
15 that it has set aside Saturday April 14 for this task. The checks will be written, sorted, and
16 put in envelopes by Canyon State Servicing. As a result, ML Manager will not be able to
17 meet the Friday April 13 deadline but requests that it be given an extension of 2 business
18 days to distribute such funds.

19 In addition, counsel for ML Manager and the financial consultants and accountants
20 that prepared the updated Allocation Model sat down face to face with Mr. Hawkins
21 during the week of April 9 to go through the update and to answer his questions. Follow
22 up will also take place so that he has the opportunity to review this information. Further,
23 undersigned counsel has reached out to counsel for the Rev Op to discuss this extension
24 and the Motion but was unable to reach him.

25 WHEREFORE, ML Manager requests that the Court grant this Motion and extend
26 the deadline by 2 business days and grant ML Manager such further relief as is just and

1 proper under the circumstances.

2 DATED: April 12, 2012

3

FENNEMORE CRAIG, P.C.

4

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

5

6 Copy of the foregoing sent this 12th
7 day of April, 2012 by email to:

8

Robert J. Miller
Bryce A. Suzuki
BRYAN CAVE LLP
Two North Central Ave., Suite 2200
Phoenix, Arizona 85004
rjmiller@bryancave.com
bryce.suzuki@bryancave.com

9

10

11

12

/s/ Cathy L. Reece

13

14

15

16

17

18

19

20

21

22

23

24

25

26