

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: August 10, 2012



Randolph J. Haines

Randolph J. Haines, Bankruptcy Judge

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

12 In re
13 MORTGAGES LTD.,
14 Debtor.

Chapter 11

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

**ORDER APPROVING MOTION TO SELL
REAL PROPERTY**

**Real Property located at the Northeast corner of
Tweedy Rd. and Howard Rd. in City of Eloy,
County of Pinal, Arizona**

**Hearing Date: July 16, 2012
Hearing Time: 2:30 p.m.**

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19 ML Manager LLC ("ML Manager") filed a Motion ("Motion") (Docket No.3516)
20 requesting that the Court enter an order authorizing ML Manager as the Manager for
21 CGSR Loan LLC and the Agent for certain non-transferring pass-through investors, to sell
22 the property located at the Northeast corner of Tweedy Rd. and Howard Rd., in City of
23 Eloy, County of Pinal, Arizona, which is more specifically described in the Sale
24 Agreement (the "Property") for the price and on the terms set forth in the Agreement of
25 Sale and Purchase or a similar sale agreement to another buyer on the same or better terms
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1 (collectively, "Sale Agreement"). Among other things, the Sale Agreement provides for
2 the sale of the Property for \$1,577,720 to Nicholas Farms, LLP ("Purchaser"). A notice to
3 creditors, interested parties and the non-transferring pass-through investors of the Motion
4 and the hearing date was served. An Objection (Docket No. 3524) was filed by certain
5 Rev Op Group Investors. The hearing was held on the Motion on July 16, 2012 at 2:30
6 p.m. in Phoenix and the Court at the conclusion of the hearing made findings of fact and
7 conclusions of law on the record.

8 Upon consideration of the Motion, the Objection, the reply and statements and
9 arguments of counsel at the hearing; it appears to the Court and the Court finds that:

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

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

13 (c) The investors in CGSR Loan LLC and the applicable MP Funds have
14 agreed by the applicable dollar vote to the sale terms;

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

18 (e) The decision to sell and enter into the Sale Agreement is supported by the
19 best exercise of business judgment of ML Manager.

20 IT IS THEREFORE ORDERED THAT:

21 (1) The Motion is granted and approved and the Objection is overruled.

22 (2) ML Manager, as the Manager of CGSR Loan LLC and as Agent for the
23 pass-through investors, including the Rev-Op Group Investors, has authority and is
24 directed to enter into the Sale Agreement, to consummate the sale, to sell the Property
25 pursuant to the terms of the Sale Agreement, to execute the conveyance deed pursuant to
26 the Sale Agreement and to execute any and all documents needed to consummate the sale.

1 (3) ML Manager is authorized to pay out of the sale proceeds all costs of sale,
2 including real property taxes, assessments, broker's fees, title insurance or other closing
3 costs and to repay out of the CGSR Loan LLC proceeds the replacement loans under the
4 Interborrower Agreement, and to create and use any reserves out of the CGSR Loan LLC
5 proceeds pursuant to the Loan Agreement and Interborrower Agreement.

6 (4) The purchase price is fair consideration for the Property.

7 (5) The net sale proceeds attributable to the ownership percentage for the CGSR
8 Loan LLC shall be transferred at closing to the ML Manager as the Manager for the
9 CGSR Loan LLC and used and distributed pursuant to its agreements, the Interborrower
10 Agreement, the Confirmation Order and the Allocation Model approved by the Court. The
11 net sale proceeds attributable to the ownership percentage for the non-transferring pass-
12 through investors shall be transferred to ML Manager as their Agent and distributed
13 pursuant to the applicable agency agreements, the Plan, Confirmation Order, the
14 Allocation Model and the Motion approved by the Court.

15 (6) In the event that the sale to the Purchaser is not consummated, ML Manager
16 is hereby authorized without coming back to the Court to sell the Property on the same or
17 better terms as set forth in the Sale Agreement to another buyer in ML Manager's sole
18 discretion.

19 DATED AND ORDERED AS STATED ABOVE.
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