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Robert G. Furst
4201 North 57th Way
Phoenix, Arizona 85018
(602) 377-3702
Pro Per

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U.S. BANKRUPTCY
DISTRICT OF ARIZONA

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U.S. BANKRUPTCY
DISTRICT OF ARIZONA

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

In re:)	In Proceedings Under Chapter 11
MORTGAGES LTD.,)	Case No. 2:08-bk-07465-RJH
an Arizona corporation,)	MOTION TO PARTITION THE
Debtor.)	VISTOSO LOAN PROPERTIES

Robert G. Furst, an interested party, hereby files this Motion to Partition the Vistoso Loan Properties. This Motion relates to the Vistoso I Loan (Loan No. 857406), in the original principal amount of \$11,000,000, and the Vistoso II Loan (Loan No. 858006), in the original principal amount of \$12,000,000 (separately and collectively the "Vistoso Loans"). The borrowers in each loan are Ashton and Brandon Wolfswinkel.

This Motion is supported by the following Memorandum of Points and Authorities.

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MEMORANDUM OF POINTS AND AUTHORITIES

Motivated to quickly repay the Exit Financing, which was accruing interest at the rate of 17.5% per annum, ML Manager was forced to sell the majority of the REO properties held by the ML investors at the most inopportune time.¹ These distressed sales have been financially devastating to the ML investors, causing untold hardship, and in most cases generating only a 5% to 10% net return on their original investment.

Absent the burden of the Exit Financing, the vast majority of the ML investors would have preferred to hold all of these properties until the real estate market recovered. Recognizing this investor sentiment, ML Manager told the ML investors in 2010 in Newsletter No. 10 that, once the Exit Financing was repaid from the sales proceeds of a sufficient number of the properties, the ML investors in the unsold properties (the "Unsold Investors") would be given the opportunity to determine their own destiny. See page 4, lines 1 through 23, of this Memorandum. ML Manager told these Unsold Investors that, if they were willing to directly reimburse the investors in the sold properties (the "Sold Investors") for the Unsold Investors' share of the bankruptcy costs, the Unsold Investors could continue to own some or all of their interests in the unsold properties until it was a more opportune time to sell. See page 4, lines 1 through 23, of this Memorandum.

The initial Exit Financing lender has now been repaid in full from the proceeds of the property sales that have closed to date. The Sold Investors who owned fractional interests in these sold properties through various Loan LLCs have now paid all of the Exit Financing

¹ In Newsletter No. 8, ML Manager acknowledged that the sale of investor properties in "a terrible market at prices below market . . . would not maximize returns to the investors."

1 costs for all of the properties, including the unsold properties. As a result, the Unsold
2 Investors, including the investors in the Vistoso Loans, have an outstanding indebtedness to
3 the Sold Investors (sometimes referred to as the “replacement lenders”) for the Unsold
4 Investor’s share of the bankruptcy costs, which indebtedness accrues interest at the same
5 extraordinarily high rate of 17.5% per annum. Preserving the prospect of a meaningful
6 financial recovery for the investors in the Vistoso Loans is dependent upon their ability to
7 both promptly pay off their debt to the Sold Investors, and thereby stop this interest accrual,
8 and to defer the sale of their interests in the Vistoso Loans to a more opportune time.
9

10
11 To that end, the Non-Transferring Pass-Through Investors in the Vistoso Loans want
12 to continue to hold the Vistoso properties (or a portion thereof) and stop their interest accrual,
13 and they are willing to pay their share of the bankruptcy costs *out of their own pockets* in
14 order to do so. Accordingly, the undersigned seeks a Court order that, if the Non-
15 Transferring Pass-Through Investors in the Vistoso Loans pay their accrued share of the
16 bankruptcy and operating costs, they may file a partition action in state court under A.R.S.
17 Section 12-1211 *et. seq.*
18
19

20 **I. Background Facts**

21
22 In mid-2010, ML Manager informed the ML investors that, when the Exit Financing
23 was paid off, the ML investors would be given an opportunity “to pay their allocated share of
24 the costs of the bankruptcy and operating costs without selling the properties/loans.” In
25 Newsletter No. 10, ML Manager stated:
26
27
28

1 Once the Exit Financing is repaid we expect that each loan will be
2 given the opportunity to determine whether or not the investors
3 desire to attempt to find a way to pay the allocated share of the
4 costs of the bankruptcy and operating costs for the loan. Some of
5 the loans that were not transferred into LLCs may be able to take
6 advantage of this in the near term, however, we believe that it will
7 be impractical for any of the Loan LLCs to consider alternatives
8 for paying their share of costs until the exit financing is paid off.

9 Once the interests of the Loan LLCs in the properties/loans are
10 held free and clear we intend to ask each of the loans whether or
11 not they would desire to attempt to find a way to pay their
12 allocated share of the costs of the bankruptcy and operating costs
13 without selling the properties/loans. This decision will be up to
14 each of the Loan LLCs and will be made in accordance with the
15 provisions of the Operating Agreements of the Loan LLCs and
16 the Plan of Reorganization. Be advised that the Operating
17 Agreements specifically provide that no member of an LLC is
18 obligated to contribute additional moneys to any of the Loan
19 LLCs. **Once the exit financing is paid off and the interests of
20 the Loan LLCs are owned free and clear we will provide each
21 of the loans the opportunity to determine their desired course
22 of action. If the investors in a particular loan desire to raise
23 money to pay their share of the allocated costs, they will be
24 given the opportunity to do so. If the investors do not desire
25 to attempt to obtain funds to pay off their share of the
26 allocated costs or are unable to do so, the ML Manager LLC
27 Board will continue to attempt to sell the property and the
28 allocated costs will be deducted from the sales proceeds and
29 the remaining balance will be paid to the investors.**

30 This decision is undoubtedly several months away and many
31 more details will be provided before such decisions will have to
32 be made. We felt, however, it would be helpful at this time to
33 make you aware of the intentions of the Board.

34 (Emphasis added)

35 The first investors to exercise this right were the investors in the GP Properties Loan in
36 2010. These investors unanimously agreed to (a) pay their allocable share of the bankruptcy
37 costs *out of their own pockets*, (b) terminate their agency agreements with ML Manager, (c)
38

1 transfer all of their fractional interests to a new LLC which they continue to successfully
2 manage, (d) pay or finance all future operating costs of the LLC, and (e) hold the GP property
3 until it is an opportune time to sell.
4

5 The Non-Transferring Pass-Through Investors in the Vistoso Loans propose that they
6 be allowed to do the same thing, either in conjunction with all of the investors in the two
7 loans or alone. If the other investors choose not to participate, the Non-Transferring Pass-
8 Through Investors want to acquire a portion of each loan property, by partition, in exchange
9 for the immediate payment of their share of the bankruptcy costs and accrued operating
10 expenses.
11

12 Notably, unlike the other ML Loans, the Pass-Through Investors (including the Non-
13 Transferring and Transferring Pass-Through Investors) in the Vistoso Loans own a majority
14 interest in each loan, as follows:
15

	<u>Loan Amount</u>	<u>Pass-Through Investors</u>	<u>Mortgage Funds</u>
16 Vistoso I	\$ 11,000,000	\$ 7,087,387	\$ 3,912,613
17 Vistoso II	\$ 12,300,000	\$ 6,989,516	\$ 5,310,484

18 The undersigned previously canvassed the Pass-Through Investors in the Vistoso
19 Loans (most of whom have made large investments in these two loans ranging from \$100,000
20 to \$500,000), to determine if they want to hold or sell. In 2011, the undersigned sent the
21 following mass e-mail:
22

23 Dear Fellow Investor in Vistoso Loan:
24

25 On Wednesday, February 2nd, a foreclosure sale is scheduled to
26 occur for the Vistoso property. This property is approximately
27 120+ acres located in Rancho Vistoso, a beautiful master planned
28

1 development in northern Tucson. The developer of the project is
2 Conley Wolfswinkel, and the property is prime multifamily
3 residential property.

4 When the Vistoso property is acquired after the foreclosure sale,
5 ML Manager will immediately begin marketing the property. As
6 you can tell from the other sales by ML Manager, this is NOT an
7 opportune time to be selling Arizona real estate, even prime real
8 estate. Most of the sales are netting the investors only 10 cents to
9 15 cents on the dollar, after taking into account the exit financing
and other costs. On the other hand, if we can hold the Vistoso
property for three to five years, I believe that we can recoup most,
if not all, of our original investment

10 The Vistoso loan is a unique opportunity for us. Unlike other ML
11 loans, a substantial majority of the ownership of the Vistoso loan
12 is in the hands of a limited number of Pass-Through Investors,
13 like you and me, and the MP funds own a smaller minority
14 interest. Specifically, 29 families own approximately 56.8% of
the Vistoso loan as Pass-Through Investors, and the MP funds
only own 43.2%.

15 I believe it is in our collective best interests to hold the prime
16 Vistoso property until the Arizona real estate market rebounds
17 and it will then be an opportune time to sell. There are only 34 of
18 us, and we can control our destiny. The roster of investors in this
19 loan is quite impressive, and many of us are dedicated to work for
free so that we do not have to give away this outstanding property
in yet another "fire sale."

20 **I am soliciting your support right now. I want to meet with**
21 **Elliott Pollack, Chairman of the ML Manager Board, and tell**
22 **him that I have canvassed the Pass-Through investors in the**
23 **Vistoso loan, and**

24 **(1) the Majority of Pass-Through investors do not want to sell**
25 **the Vistoso property at the present time, and**

26 **(2) if and when the Vistoso property is ultimately marketed**
27 **for sale, the Majority Pass-Through investors want ML**
28 **Manager to schedule a meeting of all of the investors in the**
Vistoso loan, so that there can be a meaningful discussion
before any investor vote.

1
2 **If you agree with me, please send me a response e-mail to me,**
3 **simply stating "I CONCUR." If you disagree, please state "I**
4 **DISAGREE."**

5 **There is not a lot of time, so please respond as soon as**
6 **possible.**

7 The investors responded overwhelmingly in support of the undersigned. See Exhibit
8 A. With respect to the Vistoso I Loan, twenty-eight of the thirty-five investors, representing
9 approximately 58% of the aggregate ownership interests in the loan, responded in favor of
10 continuing to hold the properties.

11 Similarly, with respect to the Vistoso II Loan, twenty-seven of the twenty-nine
12 investor families responded, signaling their unanimous support for continuing to hold the
13 properties until the market improved. These investors represented approximately 56% of the
14 aggregate ownership interests in the loan.
15

16 **II. The Proposed Transactions**

17 The Non-Transferring Pass-Through Investors would strongly prefer if ML Manager
18 would afford all of the investors in the two Vistoso Loans the opportunity to continue to hold
19 these two properties. However, Arizona statutory law provides a simple mechanism ---
20 **judicial partition** --- if cotenants have divergent interests or objectives. Arizona Revised
21 Statutes § 12-1211 *et seq.* expressly provides for a court-supervised partition of real property
22 by physically dividing the property into equitable portions. In a partition action, the Vistoso
23 Loan LLCs (whose members are the Mortgage Pools and the Transferring Pass-Through
24 Investors) can acquire and then immediately sell their equitable portion, while the Non-
25
26
27
28

1 Transferring Pass-Through Investors can acquire and patiently retain their equitable portion
2 until it is an opportune time to sell.

3
4 The Vistoso Loans' properties are clearly suitable for partition. The Vistoso I property
5 consists of two *non-contiguous* parcels of raw land in the master-planned community of
6 Rancho Vistoso in northern Tucson, which is inherently divisible. Similarly, the Vistoso II
7 property consists of seven *non-contiguous* parcels of raw land in Rancho Vistoso, which is
8 also inherently divisible. A judicial partition provides a fair and equitable outcome to
9 everyone.
10

11 **Conclusion**

12
13 In conclusion, the undersigned seeks a Court order confirming that the Non-
14 Transferring Pass-Through Investors in the two Vistoso Loans have the right to seek a
15 judicial partition, provided that these investors pay their share of the bankruptcy and accrued
16 operating costs.
17

18 DATED: August 7, 2012
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22 Robert G. Furst
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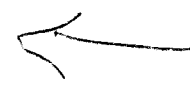
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EXHIBIT A

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
Date: 1/31/2011 12:34:31 P.M. Pacific Standard Time
From: jans@sterlingmed.com
To: rgfurst@aol.com
Bob,



Thanks for taking the initiative. I AGREE with holding. Maybe we can buy out the funds. Let me know what I can do.



Jan

----- Original Message Follows -----

From: rgfurst@aol.com
Date: 1/31/2011 11:23 AM (Pacific Standard Time)
To: jans@sterlingmed.com
Subject: Mortgages Ltd.---Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 34 families own approximately 64.4% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 35.6%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."


I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

- (1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and
- (2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

Subj: **Re: Sam, please send me an e-mail; look forward to seeing you**
Date: 1/31/2011 10:51:12 P.M. Pacific Standard Time
From: weiguo_tang@yahoo.com
Reply-to: stang@azsourcing.com
To: rgfurst@aol.com

Hi Bob,

 I would like to agree with you to keep the property. I don't think we can get fair price now.

Thank you,

Weiguo "Sam" Tang
134-3976-3340 (China)
602-628-3228 (USA)

— On Mon, 1/31/11, rgfurst@aol.com <rgfurst@aol.com> wrote:

| From: rgfurst@aol.com <rgfurst@aol.com>
| Subject: Sam, please send me an e-mail; look forward to seeing you
| To: weiguo_tang@yahoo.com
| Date: Monday, January 31, 2011, 9:36 PM

Subj: **RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 1/31/2011 11:54:52 A.M. Pacific Standard Time
 From: john@oxfordpartners.net
 To: rgfurst@aol.com
 CC: walter@oxfordpartners.net

Thanks for getting ahead of the curve on this Bob. It's a great asset. I'll follow up with Walter.

John D. Rosenfeld

Oxford Investment Partners LLC
 5060 North 40th Street
 Suite 112
 Phoenix, AZ 85016
 Direct: 602.296.1895 Fax: 602.381.1026

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From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Monday, January 31, 2011 12:24 PM
To: John Rosenfeld
Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 34 families own approximately 64.4% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 35.6%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

- (1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and**
- (2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-**

Subj: RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)
 Date: 1/29/2011 6:22:48 P.M. Pacific Standard Time
 From: bill@pentadholdings.com
 To: rgfurst@aol.com

I CONCUR! Thank you Bob! Your approach should be followed on all the properties owned by investors. It is a shame that we the investors need to call for such a meeting. Meetings of this type should be conducted on every sale.

Bill Hawkins
 Pentad Holdings
 Cornerstone Realty and Development Inc.
 7317 East Greenway Road
 Scottsdale, Arizona 85260

From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Saturday, January 29, 2011 6:58 PM
To: bill@pentadholdings.com
Subject: Mortgages Ltd.---Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 2/2/2011 3:53:12 P.M. Pacific Standard Time
 From: kgoldblatt@qwestoffice.net
 To: rgfurst@aol.com

I concur
 Karen

From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Wednesday, February 02, 2011 10:18 AM
To: kgoldblatt@qwestoffice.net
Subject: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Hi Karen,

You are one of only two pass-through investors who has not responded, and we have unanimous agreement so far. It would be great to know that you are in agreement. Even if you disagree, it would be helpful to receive your input. I am just trying to help you and the other investors. I contacted Aviva and she told me this is still your current e-mail address.

Best regards.

Bob Furst

-----Original Message-----

From: rgfurst@aol.com
 To: kgoldblatt@qwestoffice.net
 Sent: Sat, Jan 29, 2011 6:55 pm
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the

Case 2:08-bk-07465-RJH Doc 3541 Filed 08/07/12 Entered 08/08/12 10:31:27 Desc
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08/08/2012

Subj: RE: [QUAR] Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)
Date: 2/2/2011 10:33:29 A.M. Pacific Standard Time
From: david@wmsus.com
To: rgfurst@aol.com

Bob, I can't remember if I sent you an email yet.

I CONCUR



David Rosenthal, MBA, CFP®
Principal/Financial Advisor
Wealth Management Solutions, LLC
8550 E Shea Blvd. Suite 130
Scottsdale, AZ 85260
Tel: 480-609-4334 ext 1
Fax 480-609-4335
E-mail: david@wmsus.com
Website: www.wmsus.com

From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Saturday, January 29, 2011 7:05 PM
To: David Rosenthal
Subject: [QUAR] Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)
Importance: Low

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

I believe it is our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 29 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

Subj: **Re: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 2/1/2011 6:26:32 P.M. Pacific Standard Time
 From: marty.libling@cox.net
 To: rgfurst@aol.com

Hi Bob,

I concur with holding on to this property
 Marty



From: rgfurst@aol.com
Sent: Tuesday, February 01, 2011 6:22 PM
To: marty.libling@cox.net
Subject: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Marty, everyone who has responded wants to hold the property. Obviously, we would like your concurrence, too. We would really appreciate a response from you, even if you are not interested.

Best regards . . . Bob Furst

-----Original Message-----

From: rgfurst@aol.com
 To: marty.libling@cox.net
 Sent: Mon, Jan 31, 2011 10:21 pm
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs.. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

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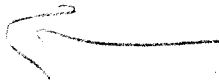
I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-

Subj: **vistoso property**
Date: 2/1/2011 1:23:26 P.M. Pacific Standard Time
From: tony@esplanadepiace.com
To: rgfurst@aol.com
bob i concur
tony christensen

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 2/1/2011 8:55:22 A.M. Pacific Standard Time
 From: kellyhaddad01@mac.com
 To: rfurst@aol.com
 I Concur.



On Jan 29, 2011, at 6:57 PM, rfurst@aol.com wrote:

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: RE: FMortgages Ltd.—Sale of Vistoso Property (Loan # 857406)
 Date: 2/1/2011 8:33:50 A.M. Pacific Standard Time
 From: Dan@abramsrealtyinc.com
 To: rgfurst@aol.com

Bob,

I concur. Let's bid in and acquire the property then hold it for 3-5 years to sell when the market has improved. Thanks for stepping in to work on keeping our investment.

Dan

Dan Abrams, CPM

ABRAMS REALTY & MANAGEMENT, INC.

602-264-6464

602-265-4750 (f)

www.abramsrealtyphoenix.com

From: rgfurst@aol.com [mailto:rgfurst@aol.com]

Sent: Monday, January 31, 2011 8:06 PM

To: Dan Abrams

Subject: FMortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment.

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 34 families own approximately 64.4% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 35.6%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

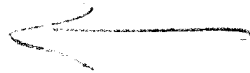
I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 2/1/2011 7:14:16 A.M. Pacific Standard Time
 From: armorts@cox.net
 To: rgfurst@aol.com

I concur



From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Monday, January 31, 2011 11:30 PM
To: armorts@cox.net
Subject: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Mort, I have gotten an overwhelming response, but I'd like your concurrence, too. Let me know your thoughts.

Best regards.

Bob Furst

-----Original Message-----

From: rgfurst@aol.com
 To: armorts@cox.net
 Sent: Sat, Jan 29, 2011 6:48 pm
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 34 families own approximately 64.4% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 35.6%.

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I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

- (1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and
- (2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 2/1/2011 6:34:37 A.M. Pacific Standard Time
 From: mabkrueger@gmail.com
 To: RGFURST@aol.com

I concur.

Lon J. Krueger

On Jan 29, 2011, at 6:58 PM, RGFURST@aol.com wrote:

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

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(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 1/31/2011 10:05:47 P.M. Pacific Standard Time
 From: dgruender@cox.net
 To: RGFURST@aol.com

Dear Robert: I concur. Try to hold the property. Dan Gruender.
 On Jan 29, 2011, at 6:56 PM, RGFURST@aol.com wrote:



Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

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(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 1/31/2011 2:18:05 P.M. Pacific Standard Time
 From: iv@vinsonrealty.com
 To: rgfurst@aol.com
"I CONCUR."

On Sat, Jan 29, 2011 at 7:05 PM, <rgfurst@aol.com> wrote:

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

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I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

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Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 1/31/2011 2:00:18 P.M. Pacific Standard Time
 From: harold@thewindmillwinery.com
 To: rgfurst@aol.com

Bill, I concur.
 Harold Christ
 The Windmill Winery
 P.O. Box 2276
 Florence, AZ 85132
 602.810.7448
harold@thewindmillwinery.com
www.thewindmillwinery.com

On Sun, Jan 30, 2011 at 10:20 PM, <rgfurst@aol.com> wrote:
 Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

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(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

P.S. Bill, is Genanne Lewis related to you? If so, do you have an e-mail address?

Subj: **RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 1/31/2011 1:37:03 P.M. Pacific Standard Time
 From: jbozzo@rwpartners.net
 To: rgfurst@aol.com
 CC: twingssinger@rwpartners.net, lperlis@rwpartners.net

Hi Bob,

We are still in this loan. In general, I agree with your assessment, but would like to reserve our opinion until if and when ML takes title to the property. It would be nice to get a sense of where the brokers realistically think this can be sold today before voting to block the sale. If it's truly at 10 cents on the dollar, I agree with you that it probably doesn't make much sense.

Thanks,

John W. Bozzo

rwpartners

Senior Vice President
 2944 N. 44th Street, Suite 250
 Phoenix, Arizona 85018
 Direct: (602) 224-4192
 Main: (602) 955-4000
 Fax: (602) 808-3964
www.rwpartners.net

****Please note new email address: jbozzo@rwpartners.net**

From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Monday, January 31, 2011 12:15 PM
To: John Bozzo
Subject: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

John, are you still involved in this?

-----Original Message-----

From: rgfurst@aol.com
To: jbozzo@naihhorizon.com
Sent: Sat, Jan 29, 2011 6:35 pm
Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the

Subj: RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)
 Date: 1/31/2011 12:39:37 P.M. Pacific Standard Time
 From: earnon@cox.net
 To: rgfurst@aol.com

Hi Bob:

I most certainly agree with your analysis and would like to see this property not sold for as you mention 3-5 years which I am sure we shall more than capture (hopefully) our original investment and perhaps more so

Thanks much for your proactive approach
 Eldad Arnon
 480-314-0300

From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Saturday, January 29, 2011 6:53 PM
To: earnon@cox.net
Subject: Mortgages Ltd.---Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

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I believe it is our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

- (1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and**
- (2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.**

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 1/31/2011 12:31:00 P.M. Pacific Standard Time
 From: walter@oxfordpartners.net
 To: john@oxfordpartners.net, rgfurst@aol.com
 I CONCUR please proceed bob.

Walter Clarke
 (602) 381-1061 voice
 (877) 836-1100 toll free
 (602) 381-1026 fax

Oxford Investment Partners
 5060 N 44th Street
 Suite #112
 Phoenix, AZ 85018

Buy or sell orders, funds-transfer requests, address changes or any other instructions requiring your signature cannot be accepted by email. Do not include any personal identification numbers, passwords, account/credit/debit/ATM card numbers, or any other private information in your message. The information provided in this communication is solely for convenience and informational purposes and all users thereof should be guided accordingly. Oxford Investment Partners, LLC takes no responsibility for any information prepared by an unaffiliated third party. The confidentiality of this email cannot be guaranteed. Your messages to Oxford employees may be read by persons other than the intended recipient. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please reply to the sender and delete the original message and any copy of it from your computer or facsimile system. Thank you.

From: John Rosenfeld
Sent: Monday, January 31, 2011 12:55 PM
To: 'rgfurst@aol.com'
Cc: Walter Clarke
Subject: RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Thanks for getting ahead of the curve on this Bob. It's a great asset. I'll follow up with Walter.

John D. Rosenfeld
 Oxford Investment Partners LLC
 5060 North 40th Street
 Suite 112
 Phoenix, AZ 85016
 Direct: 602.296.1895 Fax: 602.381.1026

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From: rgfurst@aol.com [<mailto:rgfurst@aol.com>]
Sent: Monday, January 31, 2011 12:24 PM
To: John Rosenfeld
Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in

Case 2:08-bk-07465-RJH Doc 3541 Filed 08/07/12 Entered 08/08/12 10:31:27 Desc
 Main Document Page 27 of 43

Sunday, November 20, 2011 AOL: Guest

08/08/2012

Subj: **Re: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 1/31/2011 11:44:57 A.M. Pacific Standard Time
 From: wclewis@cox.net
 To: rgfurst@aol.com

I concur as well. Was driving 2 CO when u sent that email. Cell service doesnt work on Nav Nation Rez.

Sent from my Verizon Wireless BlackBerry

From: rgfurst@aol.com
 Date: Mon, 31 Jan 2011 14:17:21 -0500
 To: <wclewis@cox.net>
 Subject: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Bill, I have gotten unanimous concurrence so far, but you are VERY important. Are you available?

-----Original Message-----

From: rgfurst@aol.com
 To: wclewis@cox.net
 Sent: Sat, Jan 29, 2011 6:43 pm
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 34 families own approximately 64.4% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 35.6%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

Subj: Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)
 Date: 1/31/2011 11:32:17 A.M. Pacific Standard Time
 From: rezjet@cox.net
 To: rgfurst@aol.com

Bob, I concur with you and would welcome a meeting but I am concerned about the expenses that will be incurred if we hold on to it...and who would be liable.
 Honey

— Original Message —

From: rgfurst@aol.com
 To: rezjet@cox.net
 Sent: Saturday, January 29, 2011 6:39 PM
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

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(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 1/31/2011 10:13:44 A.M. Pacific Standard Time
 From: gflinn@steele-foundation.com
 To: rgfurst@aol.com
 Just spoke to him and he is supportive so count us in.

Gail Flinn
 Director of Finance
 The Steele Foundation
Growing stronger families through support of education, the arts and human services.

702 E. Osborn Road, Suite 190
 Phoenix, AZ 85014
 P: (602) 850-9804
 F: (602) 850-9814
gflinn@steele-foundation.com

This communication and any file transmitted with it may contain information that is confidential, privileged and exempt from disclosure under applicable law. It is intended solely for the use of the individual or entity to which it is addressed. If you are not the intended recipient, you are hereby notified that any use, dissemination or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender. Thank you for your cooperation.

From: rgfurst@aol.com [<mailto:rgfurst@aol.com>]
Sent: Monday, January 31, 2011 11:04 AM
To: Steele Foundation
Cc: bill@pentadholdings.com
Subject: Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

No, that is not important. I have sent my e-mail to all "pass-through" investors, regardless of whether they transferred their interests to the Loan LLC or not. The pass-through investors have more at stake than anyone else, because the pool investors have only 2% of their money in Vistoso, whereas the pass-through investors have substantial sums. So far, I have unanimous support from the pass-through investors in Vistoso; they want to hold the property until the real estate market rebounds. I met with Dan approximately one or two months ago, and he was supportive.

-----Original Message-----

From: Steele Foundation <gflinn@steele-foundation.com>
 To: 'rgfurst@aol.com' <rgfurst@aol.com>
 Sent: Mon, Jan 31, 2011 10:24 am
 Subject: RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 1/31/2011 8:11:59 A.M. Pacific Standard Time
 From: avbuckley@aol.com
 To: rgfurst@aol.com
 I concur


 Bruce Buckley

—Original Message—

From: rgfurst <rgfurst@aol.com>
 To: AVBuckley <AVBuckley@aol.com>
 Sent: Sat, Jan 29, 2011 6:54 pm
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.


If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
Date: 1/30/2011 11:30:44 P.M. Pacific Standard Time
From: suesue57@juno.com
To: rgfurst@aol.com

~~X~~ I concur! 

Sue Krauser

When Banks Compete, You Win!
Refi & lower payments today: \$400,000 for only \$1,687/mo. No SSN required.
<http://thirdpartyoffers.juno.com/TGL3141/4d4664f2356ade54ae3st03vuc>

Subj: RE: [Norton AntiSpam]Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)
 Date: 1/30/2011 6:18:20 P.M. Pacific Standard Time
 From: bauerbetty@comcast.net
 To: rgfurst@aol.com

I Concur.
 Betty B Bauer
 847-226-5998

From: rgfurst@aol.com [mailto:rgfurst@aol.com]
 Sent: Saturday, January 29, 2011 7:54 PM
 To: bauerbetty@comcast.net
 Subject: [Norton AntiSpam]Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

- (1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and
- (2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 1/30/2011 3:31:22 P.M. Pacific Standard Time
 From: roden911@msn.com
 To: rgfurst@aol.com

I totally concur! Now that I have your number again (I changed phones and lost many contacts) let's talk.

From: rgfurst@aol.com
Sent: Saturday, January 29, 2011 6:01 PM
To: roden911@msn.com
Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

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I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **RE: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 1/30/2011 12:06:15 P.M. Pacific Standard Time
 From: psollomi@cox.net
 To: rgfurst@aol.com

Bob, I do concur with your thinking. Count me in. Phil 

From: rgfurst@aol.com [mailto:rgfurst@aol.com]
Sent: Saturday, January 29, 2011 7:02 PM
To: psollomi@cox.net
Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

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I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 1/29/2011 9:52:02 P.M. Pacific Standard Time
 From: cwack@cox.net
 To: rgfurst@aol.com

I Concur, Bob.
 Chris

From: rgfurst@aol.com
 Sent: Saturday, January 29, 2011 6:44 PM
 To: cwack@cox.net
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

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I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)**
 Date: 1/29/2011 8:38:57 P.M. Pacific Standard Time
 From: petainusa@aol.com
 To: rgfurst@aol.com

I concur,
 Marc A. Petein

Sent from my BlackBerry Smartphone provided by Alltel

From: rgfurst@aol.com
 Date: Sat, 29 Jan 2011 21:00:05 -0500
 To: <PetainUSA@aol.com>
 Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

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I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)
Date: 1/29/2011 7:48:39 P.M. Pacific Standard Time
From: newjerseylh@aol.com
To: rgfurst@aol.com

I concur.

Thanks Bob,
Linda Reeves

—Original Message—

From: rgfurst <rgfurst@aol.com>
To: Newjerseylh <Newjerseylh@aol.com>
Sent: Sat, Jan 29, 2011 6:01 pm
Subject: Mortgages Ltd.—Sale of Vistoso Property (Loan # 858006)

Dear Fellow Investor in Vistoso Loan (# 858006):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 120+ acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime multifamily residential property.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 29 families own approximately 56.8% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 43.2%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)
Date: 1/29/2011 6:51:28 P.M. Pacific Standard Time
From: merylee@aol.com
To: rgfurst@aol.com
Bob, Harvey Golden and I
CONCUR.



Merylee Golden

Sent from my iPhone

On Jan 29, 2011, at 8:37 PM, rgfurst@aol.com wrote:

Dear Fellow Investor in Vistoso Loan (# 857406):

On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for the Vistoso property. This property is approximately 51 acres located in Rancho Vistoso, a beautiful master planned development in northern Tucson. The developer of the project is Conley Wolfswinkel, and the property is prime residential property with golf course frontage.

When the Vistoso property is acquired after the foreclosure sale, ML Manager will immediately begin marketing the property. As you can tell from the other sales by ML Manager, this is NOT an opportune time to be selling Arizona real estate, even prime real estate. Most of the sales are netting the investors only 10 cents to 15 cents on the dollar, after taking into account the exit financing and other costs. On the other hand, if we can hold the Vistoso property for three to five years, I believe that we can recoup most, if not all, of our original investment

The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a substantial majority of the ownership of the Vistoso loan is in the hands of a limited number of Pass-Through Investors, like you and me, and the MP funds own a smaller minority interest. Specifically, 34 families own approximately 64.4% of the Vistoso loan as Pass-Through Investors, and the MP funds only own 35.6%.

I believe it is in our collective best interests to hold the prime Vistoso property until the Arizona real estate market rebounds and it will then be an opportune time to sell. There are only 34 of us, and we can control our destiny. The roster of investors in this loan is quite impressive, and many of us are dedicated to work for free so that we do not have to give away this outstanding property in yet another "fire sale."

I am soliciting your support right now. I want to meet with Elliott Pollack, Chairman of the ML Manager Board, and tell him that I have canvassed the Pass-Through investors in the Vistoso loan, and

(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(2) if and when the Vistoso property is ultimately marketed for sale, the Majority Pass-Through investors want ML Manager to schedule a meeting of all of the investors in the Vistoso loan, so that there can be a meaningful discussion before any investor vote.

If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: **Re: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)**
 Date: 2/3/2011 3:42:12 P.M. Pacific Standard Time
 From: dhfrazey@wbhsi.net
 To: rgfurst@aol.com

> I concur>

>

> Dear Fellow Investor in Vistoso Loan (# 857406):

>

> On Wednesday, February 2nd, a foreclosure sale is scheduled to occur for
 > the Vistoso property. This property is approximately 51 acres located in
 > Rancho Vistoso, a beautiful master planned development in northern Tucson.
 > The developer of the project is Conley Wolfswinkel, and the property is
 > prime residential property with golf course frontage.

>

> When the Vistoso property is acquired after the foreclosure sale, ML
 > Manager will immediately begin marketing the property. As you can tell
 > from the other sales by ML Manager, this is NOT an opportune time to be
 > selling Arizona real estate, even prime real estate. Most of the sales
 > are netting the investors only 10 cents to 15 cents on the dollar, after
 > taking into account the exit financing and other costs. On the other
 > hand, if we can hold the Vistoso property for three to five years, I
 > believe that we can recoup most, if not all, of our original investment

>

> The Vistoso loan is a unique opportunity for us. Unlike other ML loans, a
 > substantial majority of the ownership of the Vistoso loan is in the hands
 > of a limited number of Pass-Through Investors, like you and me, and the MP
 > funds own a smaller minority interest. Specifically, 34 families own
 > approximately 64.4% of the Vistoso loan as Pass-Through Investors, and the
 > MP funds only own 35.6%.

>

> I believe it is in our collective best interests to hold the prime Vistoso
 > property until the Arizona real estate market rebounds and it will then be
 > an opportune time to sell. There are only 34 of us, and we can control
 > our destiny. The roster of investors in this loan is quite impressive,
 > and many of us are dedicated to work for free so that we do not have to
 > give away this outstanding property in yet another "fire sale."

>

> I am soliciting your support right now. I want to meet with Elliott
 > Pollack, Chairman of the ML Manager Board, and tell him that I have
 > canvassed the Pass-Through investors in the Vistoso loan, and

>

> (1) the Majority Pass-Through investors do not want to sell the Vistoso
 > property at the present time, and

>

> (2) if and when the Vistoso property is ultimately marketed for sale, the
 > Majority Pass-Through investors want ML Manager to schedule a meeting of
 > all of the investors in the Vistoso loan, so that there can be a
 > meaningful discussion before any investor vote.

>

> If you agree with me, please send me a response e-mail to me, simply
 > stating "I CONCUR." If you disagree, please state "I DISAGREE." There is
 > not a lot of time, so please respond as soon as possible.

>

> I am available to talk to you at any time. My telephone number is (602)
 > 377-3702.

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> Best regards.

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> Bob Furst

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Subj: **Mortgages Ltd.—Sale of Vistoso Properties (Loan # 857406 and # 858006)**
 Date: 2/2/2011 1:39:04 P.M. Pacific Standard Time
 From: rgfurst@aol.com
 To: pollack@edpco.com, mwinkleman@mtgltd.com
 BCC: jbozzo@naihonorizon.com, rwinssinger@rwpartners.net, MERYLEE@aol.com, ZNCU@aol.com,
dan@abramsrealtyinc.com, elayne4@cox.net, cwack@cox.net, haddadfams@yahoo.com,
mayneco@comcast.net, tony@esplanadeplace.com, harold@thewindmillwinery.com,
marty.libling@cox.net, dgruender@cox.net, PetainUSA@aol.com, psollomi@cox.net,
iv@vinsonrealty.com, ljkrueger@cox.net, weiguo_tang@yahoo.com, david@wmsus.com,
Newjerseylh@aol.com, roden911@msn.com, walter@oxfordpartners.net, john@oxfordpartners.net,
jans@sterlingmed.com, wclewis@cox.net, bill@pentadholdings.com, AVBuckley@aol.com

Dear Elliott and Mark:

It is my understanding that the foreclosure sales for the two Vistoso properties are scheduled for today.

As you know, the two Vistoso loans are different from most of the other ML Loans, in that a majority of the ownership interests are held by the Pass-Through Investors, not the MP Funds. Specifically, **Vistoso Loan No. 857406 is owned as follows: 64.4% by the Pass-Through Investors and 35.6% by the MP Funds, while Vistoso Loan No. 858006 is owned as follows: 56.8% by the Pass-Through Investors, and 43.2% by the MP Funds.**

The Pass-Through Investors believe it is in their collective best interests to hold the two Vistoso properties until the Arizona real estate market rebounds and it is a more opportune time to sell. Recently, I canvassed the Pass-Through Investors in the two Vistoso loans, including both the Transferring and Non-Transferring Investors, and they voted overwhelmingly as follows:

(1) The Pass-Through Investors do not want to sell the Vistoso property at the present time, and

(2) If and when the Vistoso properties are ultimately marketed for sale, the Pass-Through Investors want ML Manager to schedule a meeting of all of the investors in the Vistoso properties, so that there can be a meaningful discussion before any investor vote.

To illustrate the overwhelming nature of the investor response to my e-mail, there are 35 families who are Pass-Through Investors in Vistoso Loan No. 857406, and 28 of the 35 investor families sent me a concurring e-mail. These 28 investors represent approximately 58% of the aggregate ownership interests in Vistoso Loan No. 857406, which is a majority vote even without taking into account that some of these Pass-Through Investors, like Honey Reznik, also have an additional vote through their ownership of MP Fund interests. Importantly, not a single Pass-Through investor indicated that he or she wanted ML Manager to sell the property now.

Similarly, there are 29 families who are Pass-Through Investors in Vistoso Loan No. 858006, and 27 of the 29 investor families sent me a concurring e-mail. These 27 investors represent approximately 56% of the aggregate ownership interests in Vistoso Loan No. 858006, which is a majority vote without taking into account that some of these Pass-Through investors also have an additional vote through their ownership of MP Fund interests. Once again, none of the Pass-Through Investors indicated that he or she wanted ML Manager to sell the property in today's depressed market.

These Pass-Through Investors include many prominent names in the community, including Dan Cracchiolo. Many of them have several hundred thousand dollars or more at stake in these two properties, and they want to work collaboratively with each other (and ML Manager) to protect their substantial investment and their economic futures.

I am forwarding this information to you in the hope that you will listen to this majority voice. I would like to meet with the two of you to discuss this matter further and develop a plan of implementation. In the interim, I trust that you will refrain from marketing the two Vistoso properties.

I am available to talk to either of you at any time. My telephone number is (602) 377-3702. I look forward to working cooperatively with you, and hopefully we can create a template for other properties and other investors as well.

Best regards.

Bob Furst