UNITED STATES BANKRUPTCY COURT DISTRICT OF ARIZONA

MEMORANDUM

TO: Bankruptcy Appellate Panel of the Ninth Circuit 125 S. Grand Avenue Pasadena, California 91105

FROM: Division / District/Office No.: 0970-2 / Phoenix

- DATE: December 5, 2012
- SUBJECT: Transmittal

Case Name: MORTGAGES LTD.

Bankruptcy No.: 2:08-BK-07465-RJH

- Adversary No.: N/A
- Bankruptcy Judge: RANDOLPH J. HAINES
- Date Notice of Appeal Filed: 12/4/2012
- Date Motion for Leave to Appeal Filed:
- Date of Entry of Order Appealed: 11/20/2012
- Date Bankruptcy Filed: 6/20/2008

Date Notice of Appeal and Notice of Objection Period Mailed to Parties: December 5, 2012

Appeal Fee Paid: YES

Date of Transmittal: December 5, 2012

George Prentice, Clerk of Court

By: ____TOMMIE WILLS

Deputy Clerk

UNITED STATES BANKRUPTCY COURT DISTRICT OF ARIZONA

In Re		Chapter	
MORTGAGES LTD.		Case No.	2:08-BK-07465-RJH
	Debtor(s)	Adv.	N/A
AJ Chandler 25 Acres, LLC., Bear Tooth Mountain Holdings, LL.P., Brett M. M and Development, Incc., Cornerstone Realty and Development, Inc. Defined Ben Company, Inc., James C. Schneck Rev. Trust, LLJ Investments, LLC, Louis B. N nvestments II, LLC., Morley Rosenfield, M.D. P.C. Restated Profit Sharing Pla ark, LLC.2, Queen Creek XVIII, LLC., The Lonnie Joel Kneeger Family Trust,	efit Plan and Trust, Evertson Oil Murphey, Michael Johnson n, Pueblo Sereno Mobile Home		
	Appellant(s)		
v.			
ML Manager LLC		OF REFE	OF FILING OF APPEAL AND NOTICE RRAL OF APPEAL TO THE PTCY APPELLATE PANEL
	Appellee(s)		

YOU ARE HEREBY NOTIFIED that a Notice of Appeal has been filed on $\frac{12/4/2012}{}$ with the Clerk of the U.S. Bankruptcy Court. By virtue of Orders of the Judicial Council of the Ninth Circuit, the above appeal has been referred to the United States Bankruptcy Appellate Panel of the Ninth Circuit (BAP).

Any party desiring to object to such referral must do so in conformity with the foregoing orders and their provisions for reference to the BAP, a copy thereof being hereto attached.

For further information, you may contact the Clerk of the Bankruptcy Appellate Panel at 125 S. Grand Avenue, Pasadena, California 91105, telephone (626) 229-7225.

NOTICE IS GIVEN TO THE APPELLANT that the Appellant shall, within 14 days of the filing of the Notice of Appeal, (see above), file with the Clerk of the U.S. Bankruptcy Court, 230 N. First Avenue, #101, Phoenix, AZ 85003, the following:

- 1. A designation of the items to be included in the record on appeal and serve a copy upon the appellee;
- 2. A statement of the issues to be presented and serve a copy upon the appellee; and
- 3. A written request for the transcript and deliver a copy to the court reporter where the record designated includes a transcript of any proceeding or a part thereof.

Dated: December 5, 2012

GEORGE PRENTICE, CLERK OF COURT

By: _____TOMMIE WILLS

Deputy Clerk

Copies to be mailed to attorneys for parties and pro se parties to the appeal by the BNC

Enclosures: Copy of Notice of Appeal Amended Order Establishing and Continuing the BAP Case 2:08-bk-07465-RJH Doc 3661 Filed 12/05/12 Entered 12/05/12 15:08:31 Desc Main Document Page 2 of 17

UNITED STATES BANKRUPTCY COURT DISTRICT OF ARIZONA

NOTICE TO PARTIES TO APPEAL

- 1. Appeal is to the Bankruptcy Appellate Panel for the Ninth Circuit:
 - a. Appeals from judgments or orders entered by bankruptcy judges are referred to the BAP unless the appellant has filed a separate written election to have the appeal transferred to the District Court at the time of the filing of the Notice of Appeal. See the November 18, 1988, as amended May 9, 2002, Order Establishing and Continuing the Bankruptcy Appellate Panel of the Ninth Circuit.
 - b. Designation of items to be included in the record on appeal and a statement of issues are to be filed with the bankruptcy clerk within 14 days of the filing of the Notice of Appeal.
 - c. <u>Do not</u> attach copies of the items designated. Copies of the items designated are <u>not</u> needed when the appeal is before the BAP. If the appeal is sent to the District Court, copies of the record are to be provided as set forth in Section 4 below.
- 2. Procedure When Appeal Remains at the BAP:
 - a. Procedures for the processing of the appeal at the BAP are contained in the Rules of the United States Bankruptcy Appellate Panel of the Ninth Circuit. Copies of those rules are available online at www.ce9.uscourts.gov/bap or the Clerk of the BAP:

Clerk of Court U.S. Bankruptcy Appellate Panel 125 S. Grand Avenue Pasadena, CA 91105 626-229-7225

- 3. Withdrawing consent to the BAP hearing and deciding the appeal:
 - a. Appellant must have filed a separate written election to transfer the appeal to the District Court at the time the Notice of Appeal is filed with the Clerk of the Bankruptcy Court. The Clerk of the Bankruptcy Court will send the appeal directly to the District Court.
 - b. All other parties to the appeal have 30 days from service of the Notice of Appeal to file with the Clerk of the BAP a written election to transfer the appeal to the District Court. The Clerk of the BAP, upon the filing of the election, will transmit the appeal to the District Court.

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- 4. Procedure when an appeal is transmitted or transferred to District Court:
 - a. Upon receipt of an appeal from the Clerk of the Bankruptcy Court or from the Clerk of the Bankruptcy Appellate Panel, the appeal is assigned a civil case number in the District Court. The District Court then sends a "Notice of Receipt of Appeal" to the parties to the appeal advising them of the civil case number assigned in the District Court.
 - b. The bankruptcy appeal in the District Court is governed by the District Court Local Rules of Bankruptcy Appeal Procedure, as adopted on 12/1/2007. Please refer to those rules which are available at www.azd.uscourts.gov..
 - c. When the statement of issues, designation of record and any designated transcripts are filed with the Bankruptcy Court, the Bankruptcy Court Clerk will transmit to the District Court a certificate that the record is complete. The date of transmittal to the District Court constitutes the date of the entry of the appeal on the docket in District Court.
 - d. The record is retained in the Bankruptcy Court. Copies of the record are no longer required to be filed with the District Court. Instead, the parties include copies from the record in their Excerpts of Record filed as appendix to their briefs. See Local District Court Rule 8009-2.

UNITED STATES BANKRUPTCY APPELLATE PANEL OF THE NINTH CIRCUIT

Effective November 18, 1988; as amended May 4, 2010.

AMENDED ORDER CONTINUING THE BANKRUPTCY APPELLATE PANEL OF THE NINTH CIRCUIT

JUDICIAL COUNCIL OF THE NINTH CIRCUIT AMENDED ORDER CONTINUING THE BANKRUPTCY APPELLATE PANEL OF THE NINTH CIRCUIT

1. Continuing the Bankruptcy Appellate Panel Service.

(a) Pursuant to 28 U.S.C. § 158(b)(1) as amended by the Bankruptcy Reform Act of 1994, the judicial council hereby reaffirms and continues a bankruptcy appellate panel service which shall provide panels to hear and determine appeals from judgments, orders and decrees entered by bankruptcy judges from districts within the Ninth Circuit.

(b) Panels of the bankruptcy appellate panel service may hear and determine appeals originating from districts that have authorized such appeals to be decided by the bankruptcy appellate panel service pursuant to 28 U.S.C. § 158(b)(6).

(c) All appeals originating from those districts shall be referred to bankruptcy appellate panels unless a party elects to have the appeal heard by the district court in the time and manner and form set forth in 28 U.S.C. § 158(c)(1) and in paragraph 3 below.

(d) Bankruptcy appellate panels may hear and determine appeals from final judgments, orders and decrees entered by bankruptcy judges and, with leave of bankruptcy appellate panels, appeals from interlocutory orders and decrees entered by bankruptcy judges.

(e) Bankruptcy appellate panels may hear and determine appeals from final judgments, orders, and decrees entered after the district court from which the appeal originates has issued an order referring bankruptcy cases and proceedings to bankruptcy judges pursuant to 28 U.S.C. § 157(a).

2. Immediate Reference to Bankruptcy Appellate Panels.

Upon filing of the notice of appeal, all appeals are immediately referred to the bankruptcy appellate panel service.

3. Election to District Court - Separate Written Statement Required.

A party desiring to transfer the hearing of an appeal from the bankruptcy appellate panel service to the district court pursuant to 28 U.S.C. § 158(c)(1) shall timely file a separate written statement of election expressly stating that the party elects to have the appeal transferred from the bankruptcy appellate panel service to the district court.

(a) Appellant: If the appellant wishes to make such an election, appellant must file a separate written statement of election with the clerk of the bankruptcy court at the time of filing the notice of appeal. Appellant shall submit the same number of copies of the statement of election as copies of the notice of appeal. See Bankruptcy Rule 8001(a). When such an election is made, the clerk of the bankruptcy court shall forthwith transfer the case to the district court. The clerk of the bankruptcy court shall give notice to all parties and the clerk of the bankruptcy appellate panels of the transfer at the same time and in the same manner as set forth for serving notice of the appeal in Bankruptcy Rule 8004.

(b) All Other Parties: In all appeals where appellant does not file an election, the clerk of the bankruptcy court shall forthwith transmit a copy of the notice of appeal to the clerk of the bankruptcy appellate panels. If any other party wishes to have the appeal heard by the district court, that party must, within thirty (30) days after service of the notice of appeal, file with the clerk of the bankruptcy appellate panels a written statement of election to transfer the appeal to the district court. Upon receipt of a timely statement of election filed under this section, the clerk of the bankruptcy appellate panels shall forthwith transfer the appeal to the appropriate district court and shall give notice of the transfer to the parties and the clerk of the bankruptcy court. Any question as to the timeliness of an election shall be referred by the clerk of the bankruptcy appellate panels to a bankruptcy appellate panel motions panel for determination.

4. MOTIONS DURING ELECTION PERIOD

All motions relating to an appeal shall be filed with the bankruptcy appellate panel service unless the case has been transferred to a district court. The bankruptcy appellate panels may not dismiss or render a final disposition of an appeal within thirty (30) days from the date of service of the notice of appeal, but may otherwise fully consider and dispose of all motions.

5. PANELS

Each appeal shall be heard and determined by a panel of three judges from among those appointed pursuant to paragraph 6, provided however that a bankruptcy judge shall not participate in an appeal originating in a district for which the judge is appointed or designated under 28 U.S.C. § 152. In addition, the panel may hear and determine appeals en banc under rules promulgated by and approved as provided in section 8 of this order.

6. MEMBERSHIP OF BANKRUPTCY APPELLATE PANELS

The bankruptcy appellate panel shall consist of seven members serving seven-year terms (subject to reappointment to one additional three-year term). The judicial council shall periodically examine the caseload of the bankruptcy appellate panel service to assess whether the number of bankruptcy judges serving should change. Appointment of regular and pro tem bankruptcy judges to service on the bankruptcy appellate panel shall be governed by regulations promulgated by the Judicial Council.

(a) When a three-judge panel cannot be formed from the judges designated under subparagraph (a) to hear a case because judges have recused themselves, are disqualified from hearing the case because it arises from their district, or are otherwise unable to participate, the Chief Judge of the Ninth Circuit may designate one or more other bankruptcy judge(s) from the circuit to hear the case.

(b) In order to provide assistance with the caseload or calendar relief, to constitute an en banc panel, or otherwise to assist the judges serving, or to afford other bankruptcy judges with the opportunity to serve on the bankruptcy appellate panels, the Chief Judge of the Ninth Circuit may designate from time to time one or more other bankruptcy judge(s) from the circuit to participate in one or more panel sittings.

7. CHIEF JUDGE

The members of the bankruptcy appellate panel service by majority vote shall select one of their number to serve as chief judge.

8. RULES OF PROCEDURE

(a) Practice before the bankruptcy appellate panels shall be governed by Part VIII of the Federal Rules of Bankruptcy Procedure, except as provided in this order or by rule of the bankruptcy appellate panel service adopted under subparagraph (b).

(b) The bankruptcy appellate panel service may establish rules governing practice and procedure before bankruptcy appellate panels not inconsistent with the Federal Rules of Bankruptcy Procedure. Such rules shall be submitted to, and approved by, the Judicial Council of the Ninth Circuit.

9. PLACES OF HOLDING COURT.

Bankruptcy appellate panels may conduct hearings at such times and places within the Ninth Circuit as it determines to be appropriate.

10. CLERK AND OTHER EMPLOYEES.

(a) Clerk's Office. The members of the bankruptcy appellate panel service shall select and hire the clerk of the bankruptcy appellate panel. The clerk of the bankruptcy appellate panel may select and hire staff attorneys and other necessary staff. The chief judge shall have appointment authority for the clerk, staff attorneys and other necessary staff. The members of the bankruptcy appellate panel shall determine the location of the principal office of the clerk.

(b) Law Clerks. Each judge on the bankruptcy appellate panel service shall have appointment authority to hire an additional law clerk.

11. EFFECTIVE DATE

This Order shall be effective as to all appeals originating in those bankruptcy cases that are filed after the effective date of this Order. For all appeals originating in those bankruptcy cases that were filed before October 22, 1994, the Judicial Council's prior Amended Order, as revised October 15, 1992, shall apply. This Order, insofar as just and practicable, shall apply to all appeals originating in those bankruptcy cases that were filed after the effective date of the Bankruptcy Reform Act of 1994, October 22, 1994, but before the date of this Order.

IT IS SO ORDERED.

DATE: April 28, 1995; amended May 9, 2002, amended May 4, 2010.

United States Bankruptcy Court District of Arizona

APPEALS

ORDERING AN OFFICIAL TRANSCRIPT

An official transcript is a transcript that has been prepared by a designee of the Bankruptcy Court. (For appeal purposes, a tape cassette is not acceptable as a part of the Designation of Record.)

If you have designated a transcript of a Court proceeding in your Appeal documents, **it is your responsibility to order it** from the Bankruptcy Court ECR Operator (see list below). The order should be placed at the time you file your Statement of Issues and Designation of Record.

If you have filed an appeal and need a transcript of a hearing, please follow the steps below to obtain an "OFFICIAL" transcript:

- 1. Determine the date of the hearing.
- 2. Determine what portion of the hearing is needed. Do you need the entire hearing or only a specific portion of the hearing, (i.e., the judge's ruling).
- 3. Determine if the transcript is already on file with the Court. Any ECR Operator can advise you of this. If the transcript is already on file, the Court will determine if your check should be made payable to the Bankruptcy Court. If it is not on file, the ECR Operator can tell you who to contact to obtain one.
- 4. Each transcript ordered requires a deposit. This deposit varies and is dependent upon the estimated length of the transcript. If the transcript needs to be ordered, the ECR Operator will advise you of the correct way to issue your check and where to make payment.
- 5. Place your request for the transcript. File a "Notice of Request for Transcript" with the Bankruptcy Court. Be sure to indicate if the transcript was requested from the Court or the Court Reporting Agency.
- 6. When you receive the transcript, retain it to be included as part of your Designation of Record. Follow the procedures listed in the "Notice To Parties to Appeal" included in this packet. Because a courtesy copy of every transcript ordered is sent to the Court, it is not necessary for you to file the transcript with the Court.

Ordering Transcripts

PHOENIX OFFICE CASES

Judge Baum (RTB)	Team Line	(602) 682-4200
Judge Case (CGC)	Kayla Morgan	(602) 682-4200
Judge Curley (SSC)	Andamo Purvis	(602) 682-4200
Judge Haines (RJH)	Sheri Fletcher	(602) 682-4200
Judge Hollowell (EWH)	Annette Aguilar	(602) 682-4200
Judge Marlar (JMM)	Annette Aguilar	(602) 682-4200
Judge Nielsen (GBN)	Jo-Ann Stawarski	(602) 682-4200

TUCSON OFFICE CASES

Judge Marlar (JMM)	Alicia Johns	(520) 202-7556
Judge Hollowell (EWH)	Alicia Johns	(520) 202-7556

YUMA OFFICE CASES

Judge Hollowell (EWH)	Aida Urbalejo	(928) 783-2288
Judge Marlar (JMM)	Aida Urbalejo	(928) 783-2288
Judge Haines (RJH)	Sheri Fletcher	(602) 682-4200

1	Robert J. Miller, Esq. (#013334) Bryce A. Suzuki, Esq. (#022721)	
2	Justin A. Sabin, Esq. (#026359)	
3	BRYAN CAVE LLP Two North Central Avenue, Suite 2200	
4	Phoenix, Arizona 85004-4406	
5	Telephone: (602) 364-7000 Facsimile: (602) 364-7070	
6	Internet: <u>rjmiller@bryancave.com</u> bryce.suzuki@bryancave.com	
7	justin.sabin@bryancave.com	
8	Counsel for the Rev Op Investors	
9	IN THE UNITED STATI	ES BANKRUPTCY COURT
10	FOR THE DIST	RICT OF ARIZONA
11	In re:	Chapter 11
12	MORTGAGES LTD.,	Case No. 2:08-bk-07465-RJH
13	Debtor.	NOTICE OF APPEAL
14		
15	AJ Chandler 25 Acres, L.L.C., Bea	r Tooth Mountain Holdings, L.L.P., Brett M.
16	McFadden, Cornerstone Realty and Developm	nent, Inc., Cornerstone Realty and Development,
17	Inc. Defined Benefit Plan and Trust, Evertson	Oil Company, Inc., James C. Schneck Rev. Trust,
18	LLJ Investments, LLC, Louis B. Murphey, I	Michael Johnson Investments II, L.L.C., Morley
19	Rosenfield, M.D. P.C. Restated Profit Sharing	Plan, Pueblo Sereno Mobile Home Park, L.L.C.,
20	Queen Creek XVIII, L.L.C., The Lonnie Joel k	Krueger Family Trust, William L. Hawkins Family
21	L.L.P., and any successors or assigns of the	foregoing (collectively, the "Rev Op Investors")
22	hereby appeal, pursuant to 28 U.S.C. § 158((a) and (b), from the Bankruptcy Court's Order
23	Approving Distribution of Proceeds to Investor	rs [DE #3640] (the " <u>Order</u> ") entered in the above-
24	captioned bankruptcy case on November 20,	2012, with respect to ML Manager's Motion to
25	Authorize a Second Distribution of Proceeds i	in Accordance with Allocation Model [DE #3257]
26	and Motion to Authorize Distributions of Pro-	ceeds to Investors in Accordance with Allocation

27 Model [DE #3553] filed by ML Manager LLC on June 27, 2011 and August 20, 2012, 28

1 respectively. A true and correct copy of the Order is attached hereto as Exhibit A and 2 incorporated by reference herein. 3 The parties to the matter being appealed and the names, addresses, and telephone 4 numbers of their respective attorneys are as follows: 5 **ML Manager LLC** The Rev Op Investors Cathy Reece, Esq. Robert J. Miller, Esq. 6 FENNEMORE CRAIG, P.C. Bryce A. Suzuki, Esq. 3003 North Central Avenue, Suite 2600 Justin A. Sabin, Esq. 7 **BRYAN CAVE LLP** Phoenix, Arizona 85012-2913 8 Telephone: (602) 916-5000 Two North Central Avenue, Suite 2200 creece@fclaw.com Phoenix, Arizona 85004-4406 9 Telephone: (602) 364-7000 rjmiller@bryancave.com Keith L. Hendricks, Esq. 10 **MOYES SELLERS & HENDRICKS** bryce.suzuki@bryancave.com justin.sabin@brvancave.com 1850 North Central Avenue, Suite 1100 11 Phoenix, Arizona 85004 12 Telephone: (602) 604-2141 khendricks@law-msh.com 13 If a Bankruptcy Appellate Panel Service is authorized to hear this appeal, each party has a 14 right to have the appeal heard by the district court. The appellant may exercise this right only by 15 filing a separate statement of election at the time of the filing of this notice of appeal. Any other 16 party may elect, within the time provided in 28 U.S.C. § 158(c), to have the appeal heard by the 17 district court. 18 **RESPECTFULLY SUBMITTED** this 4th day of December, 2012. 19 **BRYAN CAVE LLP** 20 21 By:/s/ JAS, #026359 22 Robert J. Miller Bryce A. Suzuki 23 Justin A. Sabin Two North Central Avenue, Suite 2200 24 Phoenix, AZ 85004-4406 25 Counsel for the Rev Op Investors 26 27 28

cathy Reece, Esq. FENNEMORE CRAIG, P.C. 3003 North Central Avenue, Suite 2600 Phoenix, Arizona 85012 creece@fclaw.com Counsel for ML Manager LLC Keith L. Hendricks, Esq. 7 MOYES SELLERS & HENDRICKS 1850 North Central Avenue, Suite 1100 Phoenix, Arizona 85004 khendricks@law-msh.com Counsel for ML Manager LLC //>//>//>//>//>//>//>//>//>//>////////	1	COPY of the foregoing served via email
Cathy Recc. Esq. FENNEMORE CRAIG, P.C. 3003 North Central Avenue, Suite 2600 Phoenix, Arizona 85012 creece@fclaw.com Counsel for ML Manager LLC Keith L. Hendricks, Esq. MOYES SELLERS & HENDRICKS 1850 North Central Avenue, Suite 1100 Phoenix, Arizona 85004 Khendricks@law-msh.com Counsel for ML Manager LLC /s/ Donna McGinnis /// /////////////////////////////////		this 4th day of December, 2012, upon:
3003 North Central Avenue, Suite 2600 Phoenix, Arizona 85012 creece@fclaw.com Counsel for ML Manager LLC Keith L. Hendricks, Esq. MOYES SELLERS & HENDRICKS 1850 North Central Avenue, Suite 1100 Phoenix, Arizona 85004 khendricks@law-msh.com Counsel for ML Manager LLC /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// /// ///> ///> ///> ///> ///> ///> ///> ///> ///> ///> ///> ///> ///>		
5 Counsel for ML Manager LLC 6 Keith L. Hendricks, Esq. 7 MOYES SELLERS & HENDRICKS 1850 North Central Avenue, Suite 1100 9 Phoenix, Arizona 85004 khendricks@law-msh.com Counsel for ML Manager LLC 10 /s/ Donna McGinnis 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27		3003 North Central Avenue, Suite 2600
 Counsel for ML Manager LLC Keith L. Hendricks, Esq. MOYES SELLERS & HENDRICKS 1850 North Central Avenue, Suite 1100 Phoenix, Arizona 85004 khendricks@law-msh.com Counsel for ML Manager LLC /s/ Donna McGinnis /s/ Donna McGinnis 		
Keith L. Hendricks, Esq. MOYES SELLERS & HENDRICKS 1850 North Central Avenue, Suite 1100 Phoenix, Arizona 85004 khendricks@law-msh.com Counsel for ML Manager LLC ///>//>/>//>//>//>//>//>////////////		
1850 North Central Avenue, Suite 1100 Phoenix, Arizona 85004 khendricks@law-msh.com Counsel for ML Manager LLC /s/ Donna McGinnis /11 /s/ Donna McGinnis 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27	6	
 Phoenix, Arizona 85004 khendricks@law-msh.com Counsel for ML Manager LLC /s/ Donna McGinnis /s/ Donna McGinnis 	7	
Counsel for ML Manager LLC 10 /s/ Donna McGinnis 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27	8	Phoenix, Arizona 85004
/s/ Donna McGinnis 11 12 13 14 15 16 17 18 19 20 21 23 24 25 26 27	9	
11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27	10	/s/ Donna McGinnis
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Desc

EXHIBIT A

Case 2:08-bk-07465-RJH Doc 3660 Filed 12/05/12 Entered 12/05/12 18:08:35 Desc MaterinDocumeent Pagge14 of 17

		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: November 20, 2012	
		Randoph J. Haines	
1	FENNEMORE CRAIG, P.C. Cathy L. Reece (005932)	Randolph J. Haines, Bankruptcy Judge	
2	3003 N. Central Ave., Suite 2600 Phoenix, Arizona 85012		
3	Telephone: (602) 916-5343 Facsimile: (602) 916-5543		
4	Email: creece@fclaw.com		
5	MOYES SELLERS & HENDRICKS		
6	Keith L. Hendricks (025508) 1850 N. Central Ave., Suite 1100		
7	Phoenix, Arizona 85004 Telephone: (602) 604-2120		
8	Email: <u>khendricks@law-msh.com</u>		
9	Attorneys for ML Manager LLC		
10	IN THE UNITED STATES BANKRUPTCY COURT		
11		DISTRICT OF ARIZONA	
12			
13			
14	Debtor.	ORDER APPROVING DISTRIBUTION OF PROCEEDS TO INVESTORS	
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16	ML Manager LLC ("ML M	anager") filed a Motion to Authorize a Second	
17	Distribution of Proceeds in Accord	ance with Allocation Model (Docket No. 3257)	
18	("Second Distribution Motion") and a Motion to Authorize Distributions of Proceeds to		
19	Investors in Accordance with Allocation Model (Docket No. 3553)("Fourth Distribution		
20	Motion").		
21	The Second Distribution Motion sought distribution of proceeds from eight (8)		
22	transactions: (1) Centerpoint; (2) University & Ash (Sale Order Docket No. 3180); (3) two		
23	Roosevelt & Gateway loans (Sale Order Docket No. 3016); (4) Zacher Rio Salado; (5) All		
24	State IX (Sale Order Docket No. 3088); (6) two houses constructed at Rodeo Ranch; (7)		
25	partial recovery from the trustee in the Tempe Land Company bankruptcy (Docket No.		
26			
FENNEMORE CRAIG, P.C. Phoenix	7590532		

779 in the TLC bankruptcy); and (8) Bison Retreat Center (Sale Order Docket No. 3252)(Collectively the "Second Distribution").

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The Fourth Distribution Motion sought distribution of proceeds from six (6) transactions: (1) Metro Lofts (Sale Order Docket No. 3485); (2) CS 11 (Sale Order Docket No. 3480); (3) SOJAC (Sale Order Docket No. 3443); (4) HH 20 (Sale Order Docket No. 3444); (5) Cottonwood (Sale Order Docket No. 3473); and (6) ABCDW-Pearce Farms (Sale Order Docket No. 3474)(Collectively, the "Fourth Distribution").

8 The Rev Op Group filed an Objection to the Second Distribution Motion (Docket
9 No. 3261) and an Objection to the Fourth Distribution Motion (Docket No. 3563)
10 (collectively, the "Rev Op Group Objections"). Jan Sterling filed an Objection to the
11 Fourth Distribution (Docket No. 3574) ("Sterling Objection").

12 Notices of the Motions, the hearing dates and bar dates for objections were given to 13 creditors, interested parties and the parties on the electronic distribution list of the Second 14 Distribution Motion and Fourth Distribution Motion. Hearings were held and opportunity 15 for discovery and for presentation of evidence were provided. The Court entered an Order 16 Approving Stipulation to Vacate Evidentiary Hearing on Second and Fourth Distribution 17 Motions (Docket No. 3633) which, among other things, vacated the evidentiary hearing 18 upon agreement of the parties that the request by the Rev Op Group to such a hearing was 19 withdrawn, and submitted the Rev Op Group Objections and the Sterling Objection to the 20 Court based on the previously submitted briefing without any further hearing.

Having considered all briefing of the Parties, oral argument, prior rulings and
briefings, and for good cause appearing, the Court finds that:

(a) This Court has jurisdiction over the issues presented in the Motions, and the
Motions and the Court's hearings were duly and properly noticed;

25 (b) ML Manager has the authority to make the Second Distribution and the26 Fourth Distribution;

FENNEMORE CRAIG, P.C. Phoenix

7590532

(c) The decision to make and the implementation of the Second Distribution and Fourth Distribution are supported by the best business judgment of ML Manager which is consistent with ML Manager's fiduciary duties and responsibilities.

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IT IS THEREFORE ORDERED THAT:

5 1. The Second Distribution Motion and the Fourth Distribution Motion are6 granted and approved.

7 2. The Rev Op Group Objections and the Sterling Objection are overruled;
8 provided, however, that nothing in this Order is intended to rule upon the Rev Op Group's
9 "Adjustment Objections" expressly reserved under paragraph 7 of the Order Approving
10 Stipulation (Docket No. 3633). All other objections, including the "Prior Objections" and
11 the "Legal Objections" defined in the Order Approving Stipulation, are overruled.

3. ML Manager is authorized and directed to make the Second Distribution
and Fourth Distribution and to execute any and all documents and take any and all steps
needed to implement this Order.

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DATED AND SIGNED ABOVE.

FENNEMORE CRAIG, P.C. PHOENIX 7590532

Notice Recipients

District/Of Case: 2:08	f: 0970–2 –bk–07465–RJH	User: willst Form ID: pdf008	Date Created: 12/5/2012 Total: 6	
Recipients aty aty aty aty aty	CATHY L. REECE cree JUSTIN A. SABIN just KEITH L. HENDRICKS	ryce.suzuki@bryancave.com ece@fclaw.com tin.sabin@bryancave.com khendricks@law–msh.com jmiller@bryancave.com		
TOTAL: 5 Recipients submitted to the BNC (Bankruptcy Noticing Center): cr Bear Tooth Mountain Holdings, LLP c/o Robert J. Miller, Esq. Bryan Cave LLP Two North Central Avenue, Suite 2200 Phoenix, AZ 85004 TOTAL: 1				

TOTAL: 1