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6 IN THE UNITED STATES BANKRUPTCY COURT
7 FOR THE DISTRICT OF ARIZONA

8 In re
9 MORTGAGES LTD.,
10 Debtor.

Chapter 11

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

**NOTICE OF LODGING ORDER
APPROVING MOTION TO SELL REAL
PROPERTY**

**Real Property located at Crismon Road and
Germann Road in Mesa, Arizona, known as
the Foothills property**

**Hearing Date: December 11, 2012
Hearing Time: 11:00 a.m.**

16 NOTICE IS HEREBY GIVEN that ML Manager has lodged a proposed *Order*
17 *Approving Motion to Sell Real Property*, which Order is attached as Exhibit A.

18 DATED: December 11, 2012

19 FENNEMORE CRAIG, P.C.

20 By /s/ Cathy L. Reece

21 Cathy L. Reece
22 Attorneys for ML Manager LLC

EXHIBIT

A

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**ORDER APPROVING MOTION TO SELL
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**Hearing Date: December 11, 2012
Hearing Time: 11:00 a.m.**

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18 ML Manager LLC (“ML Manager”) filed a Motion (“Motion”) (Docket No. 3646)
19 requesting that the Court enter an order authorizing ML Manager, as the manager for FP
20 IV Loan LLC and the agent for the non-transferring pass-through investors, to sell the
21 property consisting of approximately 291 acres located at Crismon Road and Germann
22 Road in Mesa, Arizona which is more specifically described in the Sale Agreement (the
23 “Property”) for the price of \$6,547,500 and on the terms set forth in the Agreement of
24 Sale and Purchase or a similar sale agreement to another buyer on the same terms or better
25 terms as determined by ML Manager in its sole discretion (“Sale Agreement”) to Emerson
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1 Investments LLC (“Purchaser”). A notice to creditors, interested parties and the non-
2 transferring pass-through investors of the Motion and the hearing date was served. An
3 Objection (“Objection”) (Docket No. 3666) was filed by three Rev Op Investors. The
4 hearing was held on the Motion on December 11, 2012 at 11:00 a.m. in Phoenix and the
5 Court at the conclusion of the hearing made findings of fact and conclusions of law on the
6 record.

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

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

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

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

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

17 (e) The decision to sell and enter into the Sale Agreement is supported by the
18 best exercise of business judgment of ML Manager which is consistent with ML
19 Manager’s fiduciary duties and responsibilities.

20 IT IS THEREFORE ORDERED THAT:

21 (1) The Motion is granted and approved in its entirety. The Objection is
22 overruled.

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

1 Agreement and to execute any and all documents needed to consummate the sale.

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

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

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

16 DATED AND ORDERED AS STATED ABOVE.

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