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

FILED
2012 FEB 17 AM 11:41
CLERK
U.S. BANKRUPTCY
DISTRICT OF ARIZONA

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

In re:

MORTGAGES LTD.,

an Arizona corporation,

Debtor.

) In Proceedings Under Chapter 11
) Case No. 2:08-bk-07465-RJH
) **ROBERT FURST'S MOTION FOR**
) **DECLARATION OF RIGHTS UNDER**
) **THE PLAN OF REORGANIZATION**
) **FOR THE PASS-THROUGH**
) **INVESTORS IN THE VISTOSO**
) **LOANS**

Robert G. Furst hereby files his Motion for Declaration of Rights under the Plan of Reorganization for the Pass-Through Investors in the Vistoso Loans.

This Motion relates to the Vistoso I Loan (Loan No. 857406) and the Vistoso II Loan (Loan No. 858006) (collectively the "Vistoso Loans"), in which the borrowers are Ashton and Brandon Wolfswinkel. The Pass-Through Investors in the Vistoso Loans want to acquire all or a portion of the properties which secure these loans, and seek a declaration of their rights under the Plan of Reorganization to do so. This Motion is supported by the Memorandum of Points and Authorities attached hereto.

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 Saddled with the financial burden of the Exit Financing, ML Manager has been forced
3 to sell a significant portion of the real property owned by the ML investors at the most
4 inopportune time, so that it could repay the Exit Financing as quickly as possible. These
5 distressed sales have been economically devastating to the ML investors, in many cases
6 yielding the affected investors only 5% to 10% of their original investment.
7

8
9 Absent the burden of the Exit Financing, the vast majority of ML investors, as prudent
10 and sophisticated real estate owners, would have undoubtedly elected to continue to hold
11 these properties until the real estate market recovered and property values appreciated.
12 Recognizing this reality, ML Manager has told the ML investors that, once the Exit Financing
13 was repaid, the investors would be given the opportunity to determine whether they were
14 willing to pay their allocated share of the costs of the bankruptcy *out of their own pockets*
15 (rather than from the proceeds of the distressed sale of the loan properties), so that they could
16 continue to own some or all of the remaining loan properties until it is a more opportune time
17 to sell.
18
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20 Importantly, the Exit Financing has now been repaid in full, and it is anticipated that
21 ML Manager will now provide the ML investors with an opportunity to decide whether they
22 want to continue to hold the remaining properties, as ML Manager has promised. Mr. Furst's
23 strong preference would be for the adoption of a consensual plan by all of the ML investors,
24 in which all of the remaining loan properties would be retained, which would benefit and
25 enrich all ML investors. However, Mr. Furst recognizes that a consensual plan may not be
26 achievable because some investors in the Loan LLCs are cash strapped. Assuming that is the
27
28

1 case, Mr. Furst and the other Pass-Through Investors in the Vistoso Loans would like the
2 opportunity to acquire their proportionate share of the properties securing these two loans,
3 and they are willing to pay their allocated share of the Exit Financing *out of their own*
4 *pockets*, as ML Manager requires, in order to do so. However, because ML Manager is
5 reluctant to move forward with any such transactions without Bankruptcy Court approval,
6 Mr. Furst seeks a declaration by the Bankruptcy Court that, now that the Exit Financing has
7 been repaid:
8

9
10 (1) ML Manager has a fiduciary duty to schedule a meeting for the Vistoso
11 investors to allow them to communicate with each other, so that they can intelligently
12 decide whether they want to continue to hold the loan properties, and
13

14 (2) in the event that the investors in the Loan LLCs decide that they do not want
15 to continue to hold their properties, ML Manager has a fiduciary duty to afford the
16 Pass-Through Investors with an opportunity to acquire, by partition or purchase, their
17 proportionate share of the real properties securing these loans, provided that the
18 participating investors pay their allocated share of the Exit Financing.
19

20 **I. Background Facts**
21

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

27 Once the Exit Financing is repaid we expect that each loan will be
28 given the opportunity to determine whether or not the investors
desire to attempt to find a way to pay the allocated share of the

1 costs of the bankruptcy and operating costs for the loan. Some of
2 the loans that were not transferred into LLCs may be able to take
3 advantage of this in the near term, however, we believe that it will
4 be impractical for any of the Loan LLCs to consider alternatives
5 for paying their share of costs until the exit financing is paid off.

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

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

(Emphasis added)

The first investors to take advantage of this opportunity/right were the Pass-Through Investors in the GP Properties Loan, who desired to acquire and hold the 15-acre parcel across from the Boulders Resort in Carefree, until a substantially higher sales price could be realized. After obtaining the consent of ML Manager, the investors in the GP Properties loan

1 **unanimously** agreed to (a) pay their allocable share of the Exit Financing *out of their own*
2 *pockets* (rather than from the proceeds of a distressed sale of the property), (b) terminate their
3 agency agreements with ML Manager, (c) take over the management of the property by
4 themselves, and (d) hold the property until it is an opportune time to sell.

6 The Pass-Through Investors in the Vistoso Loans would like to do the same thing.
7 However, it is unclear whether the investors in the Loan LLCs, who are co-owners of the
8 Vistoso Loans, share their investment desires or their financial capabilities. In the event that
9 the respective Loan LLCs are unwilling or unable to participate in continued ownership of
10 the loan properties, the Pass-Through Investors would like to acquire a portion of the
11 properties, either by partition or purchase, in exchange for the immediate payment of their
12 allocated share of the Exit Financing.
13

15 Notably, unlike most other ML Loans, the Pass-Through Investors in the Vistoso
16 Loans own a majority interest in each loan, as follows:

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

22 In addition, the real property securing each of the Vistoso Loans is easily divisible
23 without any diminution in value. The Vistoso I property consists of two *non-contiguous*
24 parcels of raw land in the master-planned community of Rancho Vistoso in northern Tucson,
25 which is inherently divisible into two separate parcels. Similarly, the Vistoso II property
26 consists of seven *non-contiguous* parcels of raw land in Rancho Vistoso, which is also
27 inherently divisible into separate groups of parcels.
28

1 The Vistoso properties are not presently being marketed for sale by ML Manager
2 because ML Manager has not finalized a settlement agreement with the borrowers relating to
3 their personal guarantees. Moreover, the foreclosure sales have not even occurred. Thus, it is
4 the opportune time to develop a process for protecting the rights of all investors, including
5 those investors who want to sell and those investors who want to hold.
6

7 Mr. Furst has already canvassed the Pass-Through Investors in the Vistoso Loans to
8 determine if they want to hold or sell. In 2011, when a foreclosure sale was scheduled but
9 later postponed, Mr. Furst sent the following e-mail to the investors:
10

11 Dear Fellow Investor in Vistoso Loan:
12

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

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

26 The Vistoso loan is a unique opportunity for us. Unlike other ML loans,
27 a substantial majority of the ownership of the Vistoso loan is in the
28 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

1 many of us are dedicated to work for free so that we do not have to give
2 away this outstanding property in yet another "fire sale."

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

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

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

12 If you agree with me, please send me a response e-mail to me, simply
13 stating "I CONCUR." If you disagree, please state "I DISAGREE."

14 There is not a lot of time, so please respond as soon as possible.

15 There was an overwhelming investor response to this e-mail. With regard to the
16 Vistoso I Loan, 28 of the 35 investors responded to Mr. Furst and all of them concurred,
17 representing approximately 58% of the aggregate ownership interests in the loan.
18 Importantly, not a single Pass-Through Investor indicated that he/she wanted ML Manager
19 to sell the property now. Similarly, with regard to the Vistoso II Loan, 27 of the 29 investor
20 families responded and concurred, representing approximately 56% of the aggregate
21 ownership interests. Once again, not a single Pass-Through Investor indicated that he/she
22 wanted ML Manager to sell the property in today's depressed market. (See Exhibit A for the
23 investor responses)

24 **II. The Proposed Transactions**

25 Under the proposed transactions, if the investors in the Loan LLCs should decide that
26 they do not want to continue to hold the Vistoso properties (and pay their share of the Exit
27
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1 Financing out of their own pockets), the Pass-Through Investors would be afforded the
2 opportunity to acquire a portion of the real property securing the Vistoso Loans, either
3 through a judicial partition action or, more ideally, through a consensual partition or sale. In
4 each case, the Pass-Through Investors would promptly pay their allocated share of the
5 bankruptcy expenses under the Allocation Model in cash. If a consensual partition or sale is
6 agreed upon, the determination of the relative valuation of each parcel in the Vistoso Loans
7 would be done by Bill Gosnell (or another qualified real estate professional) mutually
8 acceptable to the parties.
9
10

11 **III. Requested Declaration of Rights of Pass-Through Investors**

12
13 ML Manager is the sole manager of the Loan LLCs, and it is also the agent for the
14 Non-Transferring Pass-Through Investors. Because this dual role creates an inherent conflict
15 of interest (with potential liability for ML Manager), the undersigned asks the Bankruptcy
16 Court to declare that, in accordance with the Plan of Reorganization:
17

- 18 1. ML Manager has a *fiduciary duty* to schedule meetings for all of the investors in
19 the Vistoso Loans and afford them an opportunity to decide whether or not to
20 continue to hold these loan properties.
21
- 22 2. ML Manager has a *fiduciary duty* to provide the Pass-Through Investors, including
23 the undersigned, with a list of all of the investors in the Vistoso Loans, together
24 with their contact information (particularly their e-mail addresses and telephone
25 numbers), so that they can openly communicate with their co-owners about the
26 proposed transactions and/or other proposed courses of action.
27
28

1 3. ML Manager has a *fiduciary duty* to submit the proposed consensual partitions
2 and/or sales of the real properties to the respective Loan LLCs established for the
3 Vistoso Loans for their approval.
4

5 4. In the event that either Loan LLC shall disapprove of a consensual partition and/or
6 sale of any real property, the Pass-Through Investors shall have the right to seek a
7 judicial partition of the real property in question.
8

9 **Conclusion**

10 In conclusion, Mr. Furst requests that the Bankruptcy Court declare that, under the
11 Plan of Reorganization, ML Manager has the specified fiduciary duties, and the Pass-Through
12 Investors possess the partition and/or acquisition rights, which are described herein. Mr.
13 Furst is hopeful that, if this Motion is granted, the partition/acquisition process envisioned for
14 the Vistoso Loans can serve as a template for success for other ML investors in other ML
15 loans.
16

17 DATED: February 16, 2012
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21 

22 Robert G. Furst
23
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Exhibit A

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@mtg ltd.com
BCC: jbozzo@naih horizon.com, rwinssinger@rwpartners.net, MERYLEE@aol.com, ZNCU@aol.com, dan@abramsrealtyinc.com, elayne4@cox.net, cwack@cox.net, haddadfarms@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, likrueger@cox.net, wei guo 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 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

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: 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.

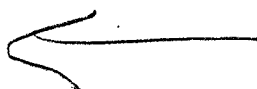
I am available to talk to you at any time. My telephone number is (602) 377-3702.

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
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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 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 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

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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

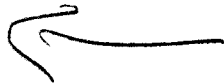
(1) the Majority Pass-Through investors do not want to sell the Vistoso property at the present time, and

(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@esplanadeplace.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: rgfurst@aol.com
 I Concur.



On Jan 29, 2011, at 6:57 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 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

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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 Poffack, 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.

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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

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.

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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: 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,

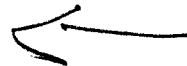
Weiguo "Sam" Tang
134-3976-3340 (China)
602-628-3228 (USA)

— 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 # 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

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-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 # 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.

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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

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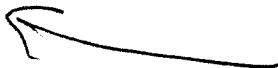
Case 2:08-bk-07465-RJH Doc 3445 Filed 02/17/12 Entered 02/17/12 15:46:19 Desc
 Main Document Page 25 of 44

02/17/2012

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.

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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

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: rwingsinger@rwpartners.net, lperis@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.

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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 Wolffswinkel, 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: 1/31/2011 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

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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

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.

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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.

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.

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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.

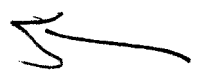
If you agree with me, please send me a response e-mail to me, simply stating "I CONCUR." If you disagree, please state "I DISAGREE." There is not a lot of time, so please respond as soon as possible.

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

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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.

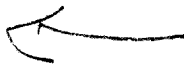
Best regards.

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

~~*~~

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/TGL3141/4d4884f2358ade54ae3st03vuc>

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%.

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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.

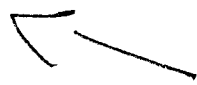
I am available to talk to you at any time. My telephone number is (602) 377-3702.

Best regards.

Bob Furst

Subj: Re: Fwd: Mortgages Ltd.—Sale of Vistoso Property (Loan # 857406)
Date: 1/30/2011 5:45:52 P.M. Pacific Standard Time
From: elayne4@cox.net
To: rgfurst@aol.com

* On this one I concur and at my age let's hope it's not longer than 3 to 5 years before prices increase.
Evie Layne



— rgfurst@aol.com wrote:

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> 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.

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> Best regards.

> Bob Furst

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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 you 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.

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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)

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Bob Furst

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 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

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 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: 1/29/2011 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 Wolffswinkel, 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: 1/29/2011 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 Woffswinkel, 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."

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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.

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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 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."

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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 # 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

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 > 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: 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.

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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-