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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 NEW FORM OF
ORDER APPROVING DISTRIBUTION OF
PROCEEDS TO INVESTORS

13 NOTICE IS HEREBY GIVEN that ML Manager has lodged a new proposed *Order*
14 *Approving Distribution of Proceeds to Investors*. Earlier today, ML Manager lodged a
15 form of Order (Docket No. 3637) and uploaded the prior Order. The new Order, attached
16 hereto, incorporates changes requested by counsel for the Rev Op Group in paragraph 2 of
17 page 4 of the Order. ML Manager requests that the Court sign and enter the new form of
18 Order which is attached hereto as Exhibit A.

19
20 DATED: November 9, 2012

21 FENNEMORE CRAIG, P.C.
22 By /s/ Cathy L. Reece
Cathy L. Reece
23 Attorneys for ML Manager LLC

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25 ...
26 ...

1 COPY of the foregoing served via
2 e-mail this 9th day of November, 2012 upon:

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EXHIBIT

A

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

12 In re

Chapter 11

13 MORTGAGES LTD.,

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

14 Debtor.

**ORDER APPROVING DISTRIBUTION OF
PROCEEDS TO INVESTORS**

15
16 ML Manager LLC (“ML Manager”) filed a Motion to Authorize a Second
17 Distribution of Proceeds in Accordance 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

1 779 in the TLC bankruptcy); and (8) Bison Retreat Center (Sale Order Docket No.
2 3252)(Collectively the “Second Distribution”).

3 The Fourth Distribution Motion sought distribution of proceeds from six (6)
4 transactions: (1) Metro Lofts (Sale Order Docket No. 3485); (2) CS 11 (Sale Order
5 Docket No. 3480); (3) SOJAC (Sale Order Docket No. 3443); (4) HH 20 (Sale Order
6 Docket No. 3444); (5) Cottonwood (Sale Order Docket No. 3473); and (6) ABCDW-
7 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.

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

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

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

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

4 IT IS THEREFORE ORDERED THAT:

5 1. The Second Distribution Motion and the Fourth Distribution Motion are
6 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.

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

15 DATED AND SIGNED ABOVE.

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