

IT IS HEREBY ADJUDGED and
DECREED this is SO ORDERED.

The party obtaining this order is responsible
for noticing it pursuant to Local Rule 9022-1.

Dated: October 18, 2012



Randolph J. Haines

Randolph J. Haines, Bankruptcy Judge

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

12 In re
13 MORTGAGES LTD.,
14
15 Debtor.

Chapter 11

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

16 **ORDER APPROVING MOTION TO SELL
17 REAL PROPERTY**

18 **Real Property (1) consisting of approximately
19 23.248 acres located south of the southwest
20 corner of Loop 101 and Maryland Avenue in
21 Glendale, Arizona (known as Maryland Way
22 property) , (2) consisting of 46 acres located in
23 the vicinity of the intersection of 99th Avenue
24 and Maryland Avenue in Glendale, Arizona
25 (known as Rightpath I property) and (3)
26 consisting of 17,000 square feet located in the
vicinity of the intersection of 99th Avenue and
Maryland Avenue in Glendale Arizona (known
as Rightpath II property)**

**Hearing Date: October 17, 2012
Hearing Time: 11:00 a.m.**

20 ML Manager LLC ("ML Manager") filed a Motion ("Motion") (Docket No. 3593)
21 requesting that the Court enter an order authorizing ML Manager as the Manager for
22 MWP Loan LLC, RLD I Loan LLC and RLD II Loan LLC, and as the Agent for certain
23 non-transferring pass-through investors, to sell the real property and improvements (1)
24 consisting of approximately 23.248 acres located south of the southwest corner of Loop
25 101 and Maryland Avenue in Glendale, Arizona (known as Maryland Way
26 property)(Parcel A), (2) consisting of 46 acres located in the vicinity of the intersection of

1 99th Avenue and Maryland Avenue in Glendale, Arizona (known as Rightpath I
2 property)(Parcel B) and (3) consisting of 17,000 square feet located in the vicinity of the
3 intersection of 99th Avenue and Maryland Avenue in Glendale Arizona (known as
4 Rightpath II property)(Parcel C), which is more specifically described in the Sale
5 Agreement (the “Property”) to BYPG Holdings, LLC (“Purchaser”) for \$7 million and on
6 the terms set forth in the Agreement of Sale and Purchase or a similar sale agreement to
7 another buyer on the same or better terms (collectively, “Sale Agreement”). A notice to
8 creditors, interested parties and the non-transferring pass-through investors of the Motion
9 and the hearing date was served. An Objection (Docket No. 3613) (“Objection”) was filed
10 by certain Rev Op Group Investors. ML Manager filed a Reply (Docket No. 3617). The
11 hearing was held on the Motion on October 17, 2012 at 11:00 a.m. in Phoenix and the
12 Court at the conclusion of the hearing made findings of fact and conclusions of law on the
13 record.

14 Upon consideration of the Motion, the Objection, the Reply and statements and
15 arguments of counsel at the hearing; it appears to the Court and the Court finds that:

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

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

19 (c) The investors in MWP Loan LLC, RLD I Loan LLC, RLD II Loan LLC
20 and the applicable MP Funds have agreed by the applicable dollar vote to the sale terms;

21 (d) The ML Manager LLC is authorized to enter into the Sale Agreement, to
22 sell the Property pursuant to the terms of the Sale Agreement, to proceed with this sale
23 and to execute all necessary documents to implement the sale;

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

1 IT IS THEREFORE ORDERED THAT:

2 (1) The Motion is granted and approved and the Objection is overruled.

3 (2) ML Manager, as the Manager of MWP Loan LLC, RLD I Loan LLC and
4 RLD II Loan LLC and as Agent for the non-transferring pass-through investors, including
5 the Rev-Op Group Investors, has authority and is directed to enter into the Sale
6 Agreement, to consummate the sale, to sell the Property pursuant to the terms of the Sale
7 Agreement, to execute the conveyance deeds pursuant to the Sale Agreement and to
8 execute any and all documents needed to consummate the sale.

9 (3) ML Manager is authorized to pay out of the sale proceeds all costs of sale,
10 including real property taxes, assessments, broker's fees, title insurance or other closing
11 costs and to repay out of the Loan LLC proceeds the replacement loans under the
12 Interborrower Agreement, and to create and use any reserves out of the Loan LLC
13 proceeds pursuant to the Loan Agreement and Interborrower Agreement.

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

15 (5) The net sale proceeds attributable to the ownership percentage for the MWP
16 Loan LLC and RLD II Loan LLC shall be transferred at closing to the ML Manager as the
17 Manager for the Loan LLC and used and distributed pursuant to its agreements, the
18 Interborrower Agreement, the Confirmation Order and the Allocation Model approved by
19 the Court. The net sale proceeds attributable to the ownership percentage for the non-
20 transferring pass-through investors for MWP Loan and the RLD II Loan shall be
21 transferred to ML Manager as their Agent and distributed pursuant to the applicable
22 agency agreements, the Plan, Confirmation Order, the Allocation Model and the Motion
23 approved by the Court.

24 (6) As to Parcel B, the net sale proceeds attributable to the ownership
25 percentage for the RLD I Loan LLC and the non-transferring pass-through investors of
26 the RLD I Loan shall be transferred at closing to the ML Manager as the Manager for the

1 RLD I Loan LLC and as Agent for the non-transferring pass-through investors in the RLD
2 I Loan and held by ML Manager pending further order of the Court.

3 (7) In the event that the sale to the Purchaser is not consummated, ML Manager
4 is hereby authorized without coming back to the Court to sell the Property on the same or
5 better terms as set forth in the Sale Agreement to another buyer in ML Manager's sole
6 discretion.

7 DATED AND ORDERED AS STATED ABOVE.

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