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5 Attorneys for ML Manager LLC

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

8 In re
9 MORTGAGES LTD.,
10 Debtor.

Chapter 11

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

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

Real Property located at 3520 North 70th Street,
Scottsdale, Arizona

Hearing Date: August 30, 2012
Hearing Time: 2:30 p.m.

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

17 DATED: September 4, 2012

18 FENNEMORE CRAIG, P.C.

19 By /s/ Cathy L. Reece

20 Cathy L. Reece
21 Attorneys for ML Manager LLC

22 Copy of the foregoing e-mailed this
23 4th day of September, 2012 to :

24 Bryce A. Suzuki
BRYAN CAVE LLP
bryce.suzuki@bryancave.com

25 /s/ Gidget Kelsey-Bacon
26

EXHIBIT

A

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

**ORDER APPROVING MOTION TO SELL
REAL PROPERTY**

**Real Property located at 3520 North 70th Street,
Scottsdale, Arizona**

**Hearing Date: August 30, 2012
Hearing Time: 2:30 p.m.**

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19 ML Manager LLC (“ML Manager”) filed a Motion (“Motion”) (Docket No. 3543)
20 requesting that the Court enter an order authorizing ML Manager, as the Manager for 70
21 SP Loan LLC and the Agent for certain non-transferring pass-through investors, to sell the
22 property located at 3520 North 70th Street, Scottsdale, Arizona, which is more specifically
23 described in the Sale Agreement (the “Property”) for the price and on the terms set forth
24 in the Agreement of Sale and Purchase or a similar sale agreement to another buyer on the
25 same or better terms (collectively, “Sale Agreement”). Among other things, the Sale
26 Agreement provides for the sale of the Property for \$875,000 to RDM Holdings IV, LLC

1 (“Purchaser”). A notice to creditors, interested parties and the non-transferring pass-
2 through investors of the Motion and the hearing date was served. An Objection (Docket
3 No. 3555) was filed by two Rev Op Group Investors. The hearing was held on the Motion
4 on August 30, 2012 at 2:30 p.m. in Phoenix and the Court at the conclusion of the hearing
5 made findings of fact and conclusions of law on the record.

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

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

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

11 (c) The investors in 70 SP Loan LLC and the applicable MP Funds have agreed
12 by the applicable dollar vote to the sale terms;

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

16 (e) The decision to sell and enter into the Sale Agreement is supported by the
17 best exercise of business judgment of ML Manager.

18 IT IS THEREFORE ORDERED THAT:

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

20 (2) ML Manager, as the Manager of 70 SP Loan LLC and as Agent for the pass-
21 through investors, including the Rev-Op Group Investors, has authority and is directed to
22 enter into the Sale Agreement, to consummate the sale, to sell the Property pursuant to the
23 terms of the Sale Agreement, to execute the conveyance deed pursuant to the Sale
24 Agreement and to execute any and all documents needed to consummate the sale.

25 (3) ML Manager is authorized to pay out of the sale proceeds all costs of sale,
26 including real property taxes, assessments, broker’s fees, title insurance or other closing

1 costs and to repay out of the 70 SP Loan LLC proceeds the replacement loans under the
2 Interborrower Agreement, and to create and use any reserves out of the 70 SP Loan LLC
3 proceeds pursuant to the Loan Agreement and Interborrower Agreement.

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

5 (5) The net sale proceeds attributable to the ownership percentage for the 70 SP
6 Loan LLC shall be transferred at closing to the ML Manager as the Manager for the 70 SP
7 Loan LLC and used and distributed pursuant to its agreements, the Interborrower
8 Agreement, the Confirmation Order and the Allocation Model approved by the Court. The
9 net sale proceeds attributable to the ownership percentage for the non-transferring pass-
10 through investors shall be transferred to ML Manager as their Agent and distributed
11 pursuant to the applicable agency agreements, the Plan, Confirmation Order, the
12 Allocation Model and the Motion approved by the Court.

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

17 DATED AND ORDERED AS STATED ABOVE.

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