

SIGNED.



Dated: September 11, 2012

UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF ARIZONA

Minute Entry Order

Randolph J. Haines

Randolph J. Haines, Bankruptcy Judge

Hearing Information:

Debtor: MORTGAGES LTD.
Case Number: 2:08-BK-07465-RJH Chapter: 11
Date / Time / Room: TUESDAY, SEPTEMBER 04, 2012 02:30 PM 6TH FLOOR #603
Bankruptcy Judge: RANDOLPH J. HAINES
Courtroom Clerk: JANET SMITH
Reporter / ECR: SHERI FLETCHER

Matters:

- 1) PRE-TRIAL CONFERENCE ON THE SECOND DISTRIBUTION AND FOURTH DISTRIBUTION
R / M #: 3,519 / 0
- 2) MOTION TO PARTITION THE VISTOSO LOAN PROPERTIES FILED BY ROBERT FURST
R / M #: 3,541 / 0
- 3) MOTION TO APPROVE ML MANAGER'S MOTION TO AUTHORIZE DISTRIBUTIONS OF PROCEEDS TO INVESTOR IN ACCORDANCE WITH ALLOCATION MODEL FILED BY ML MANAGER LLC.
R / M #: 3,553 / 0

Appearances:

BRYCE A. SUZUKI, ATTORNEY FOR REV OP GROUP
ROBERT G. FURST, ATTORNEY FOR HIMSELF
CATHY L. REECE/KEITH HENDRICKS, ATTORNEY FOR ML MANAGER
JAN STERLING

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(continue)... 2:08-BK-07465-RJH

TUESDAY, SEPTEMBER 04, 2012 02:30 PM

Proceedings:

ITEM 1 PRE-TRIAL CONFERENCE

Mr. Hendricks advised they would like to make the distribution this year and to do so they will need a decision in November. He requested a trial by November 5th allowing 4 hours.

Mr. Suzuki explained his situation advising he has hundreds of documents to go through.

COURT: IT IS ORDERED ADOPTING AS A DISCOVERY PLAN THE DEADLINES AGREED TO BY THE PARTIES IN THE DRAFT JOINT PRE-TRIAL STATEMENT. IT IS ORDERED SETTING THIS MATTER FOR TRIAL ON NOVEMBER 5, 2012 AT 8:30 AM. ALLOWING ALL DAY. PARTIES ARE DIRECTED TO FILE A JOINT PRE-TRIAL STATEMENT ON OCTOBER 29, 2012.

THE COURT NOTES THE THIRD DISTRIBUTION HAS BEEN MADE WITHOUT A MOTION FOR COURT APPROVAL SO THAT IS MOOT AND THE COURT DOES NOT INTEND TO HEAR ANYTHING ABOUT THE THIRD DISTRIBUTION.

ITEM #3 THIRD & FOURTH DISTRIBUTIONS

Ms. Reece suggested this be set at the same time as the second. She requested the Court set a date for filing a joint pre-trial statement.

Mr. Suzuki responded opposing trying this on November 5th.

Ms. Sterling requested clarification which the Court responded to explaining how the issues will be dealt with.

COURT: IT IS ORDERED PARTIES SHALL CONCLUDE FACT DISCOVERY ON THE FOURTH DISTRIBUTION BY OCTOBER 15, 2012 AND ALL PARTIES THAT WANT TO PARTICIPATE IN ANYWAY ARE DIRECTED TO SIGN OFF ON THE JOINT PRE-TRIAL STATEMENT WHICH IS DUE BY OCTOBER 29, 2012. IT IS ORDERED SETTING THIS MATTER FOR TRIAL ON NOVEMBER 5, 2012 AT 8:30 AM.

ITEM #2 PARTITION

Mr. Furst urged the motion explaining his position.

Ms. Reece responded.

COURT: IT IS ORDERED GRANTING THE MOTION TO THE SAME EXTENT RIGHTS WERE EXTENDED TO THE STERNBERG GROUP AND PROVIDED IT IS WITHOUT DAMAGE OR INJURY TO OTHER INVESTORS. THE COURT NOTES THIS IS AN ADVISORY OPINION THAT DOES NOT GIVE MR. FURST ANY RIGHT TODAY TO PARTITION IN ANYWAY.

RANDOLPH J. HAINES
U.S. BANKRUPTCY JUDGE