

ML MANAGER LLC

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Phoenix, AZ 85004

February 10, 2015

ML MANAGER LLC NEWSLETTER #38

Dear Investors:

The following are the significant events that have occurred since our last newsletter.

Next Distribution

Unfortunately, the Eighth Distribution continues to be delayed by the U.S. District Court as a result of legal actions filed by the Rev Op Group. After reviewing the filings made this past December, the Judge decided to hold a hearing on January 12, 2015. After the hearing he asked us to file a motion to dismiss the Rev Op's appeal, which we have done. We are waiting for the Judge to make his ruling, which will hopefully allow us to make the distribution of approximately \$16 million. Unfortunately, we do not know how long it will take for the Judge to render his decision.

Rightpath II (Loan 859806)

The prospective buyer of this property, Bela Flor Communities, continues to attempt to secure the necessary zoning to permit the sale of the 60 acre parcel. The Sale Agreement has been amended to provide for a sales price of \$3,705,000 as a result of some of the issues that have arisen. If the rezoning can be completed, it is anticipated that the sale would be consummated in May or June. The investors in the RLD II Loan LLC voted to approve the sale. Unfortunately, the Rev Op Group is attempting to stop the sale. Among other things, the Rev Op Group is asserting that ML Manager is not their agent and they do not have to pay the same proportionate share of expenses as other investors. A hearing is scheduled for Wednesday, February 11th to set the time frames for the trial with the Rev Ops to determine the agency issue. In view of the Rev Op litigation, it is uncertain if, or when, the sale may be consummated or whether the buyer will remain interested in buying the property due to the delay caused by the Rev Op litigation.

Regarding the 16.7 acre property to the west of the stadium facilities, we continue to attempt to work with the City of Phoenix and the City of Glendale to address some of the issues surrounding the potential sale of this property. We hope to resume our efforts to re-market the property for sale in the coming weeks.

SOJAC I (Loan 857106)

A settlement agreement with Dale and Vicki Jensen and other parties has been finalized and signed that provides that they will pay over \$5,000,000 to satisfy their obligations. The investors in SOJ Loan LLC voted to approve the settlement. Just like with the Rightpath II sale described above, the Rev Op Group is attempting to prevent the settlement. Again, among other things, the Rev Op Group is asserting that ML Manager is not their agent and they do not have to pay the same proportionate share of expenses as other. The February 11th hearing will also deal with establishing timeframes for the trial with the Rev Ops to decide the agency issue. Due to this litigation it is uncertain if or when the Court will approve the settlement agreement or whether the Jensens will continue with the settlement in light of the delay caused by the Rev Op litigation.

Vistoso II (Loan 858006)

The Tucson office of Land Advisors Organization continues to market the remaining two parcels for sale.

Vanderbilt Farms, L.L.C (Loan No. 859606)

Nathan and Associates continues to market the property for sale.

HH20 (Loan 858305)

We continue our efforts to market this property for sale.

K-1s

ML Manager, LLC is working with our outside CPA firm on the preparation of K-1s for 2014. We are committed to sending these out to all MP Fund and Loan LLC members as quickly as possible and in advance of the April 15, 2015 deadline.

Account Information.

Many investors have changed their addresses, phone numbers, and e-mail addresses. Please make sure that our records reflect your current information. In order to update your information it is necessary to complete an account change request form. These forms can be obtained by contacting us at mortgagesinfo@mtgltd.com.

If you have any questions, you may contact our office at 623-234-9560 or via email at mortgagesinfo@mtgltd.com. It is much more efficient for us to respond to written questions and we ask whenever possible, please communicate with us via email. Also, please also feel free to contact Karen Epstein at 480-948-6777.

Thank you for your support of our efforts.

Best Regards,

Elliott Pollack

Chairman