

ML MANAGER LLC
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April 10, 2015

ML MANAGER LLC NEWSLETTER #39

Dear Investors:

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

Next Distribution

As reported in the last newsletter, the Eighth Distribution of about \$16 million was being delayed by the U.S. District Court as a result of legal actions filed by the Rev Op group. Last fall we obtained Bankruptcy Court approval to make the distribution over the objections by the Rev Op group, however, the Rev Op group appealed the Bankruptcy Court's decision. We filed a motion to dismiss the Rev Op's appeal, which was granted by the District Court Judge. The Rev Ops subsequently sought a stay to prevent the distribution from being made until they could appeal the matter to the 9th Circuit Court of Appeals in San Francisco. The District Court Judge granted the stay until such time as the 9th Circuit Court rules on their stay motion; provided the stay motion is filed with the 9th Circuit Court on or before April 25th. Assuming the Rev Op group files the stay motion by such date, we will not be permitted to make the distribution until the 9th Circuit Court denies the stay motion. It is not possible to know when the 9th Circuit will take up the Rev Op group appeal. Unfortunately, it will likely be many months and could be more than one year. Although we intend to continue to sell the few remaining properties and collect funds from the various lawsuits that we have commenced, there will not be any further distributions until the legal actions taken by the Rev Op group are resolved or the Bankruptcy Court otherwise rules distributions can be made.

Rightpath II (Loan 859806)

The prospective buyer of this property, Bella Flora 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 increase the sales price of \$3,797,000 and extend the closing until early July. The sale was approved by the Bankruptcy Court over the objections of the Rev Op group. If the sale is consummated, the net sales proceeds will be held in a separate account until the Rev Op group legal actions are resolved or the Bankruptcy Court otherwise rules distributions can be made.

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)

The settlement agreement with Dale and Vicki Jensen and other parties was approved over the objections of the Rev Op group and Robert Furst. The settlement will now be implemented and we expect to receive in excess of \$5,000,000 over the term of the settlement agreement. The net settlement proceeds will be held in a separate account until the Rev Op group legal actions are resolved or the Bankruptcy Court otherwise rules the distributions can be made.

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)

Arizona Commercial Real Estate continues to market this property for sale.

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