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KENNETH B. DIAMOND  
4710 N. 16<sup>th</sup> Street, Suite 101  
Phoenix AZ 85016  
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Fax 602-870-9371  
State Bar No. 001403  
Email: tvldia@aol.com  
Attorney for Claimant  
AZ Jewish Historical Society

**FILED**

NOV 25 2009

UNITED STATES  
BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA

IN THE UNITED STATES BANKRPTCY COURT  
FOR THE DISTRICT OF ARIZONA

In re: ) Proceedings Under Chapter 11  
)  
MORTGAGES, Ltd. ) Case No.: 2:08-bk-07465-RJH  
)  
Debtor. ) RESPONSE OF CLAIMANT,  
) ARIZONA JEWISH HISTORICAL  
) SOCIETY, TO ML LIQUIDATING  
) TRUST'S OBJECTION TO ITS  
) PROOF OF CLAIM  
)  
\_\_\_\_\_ )

COMES NOW Claimaint, ARIZONA JEWISH HISTORICAL SOCIETY  
(AJHS), an Arizona non-profit charitable corporation by and through its attorney  
KENNETH B. DIAMOND, and hereby disputes the ML LIQUIDATING TRUST'S  
OBJECTION to its Proof of Claim numbered 269, which objection , included in Exhibit J  
is based on the reason that the liquidating trust does not have the Pledge on file.


The Claimant's Proof of Claim is based upon the following facts and  
circumstances:

1. The Claimant, ARIZONA JEWISH HISTORICAL SOCIETY, is in the process of restoring a building which was built as the first synagogue in Phoenix located at 122 East Culver Street. This building which is now almost restored will be operated by AJHS as the Cutler-Plotkin Jewish Heritage Center. This facility has various rooms and parts which present some major naming opportunities as listed on Exhibit 1 attached.
2. The debtor, through its principal officer, Scott M. Coles, selected the Bimah (Altar) which had a naming opportunity cost of \$50,000.00.
3. Financial arrangements were made whereby a credit of \$10,000.00 was allowed for an earlier pre-construction donation with the \$40,000.00 balance to be paid by a Pledge to Claimant, AJHS, in that amount to be paid by Debtor over a 3-year period.
4. The initial Pledge payment was made by Debtor, Mortgages Ltd., on 4-5-06 by means of its check # 1061 in the amount of \$13,333.33. A copy of this check is attached and marked Exhibit 2.
5. The second Pledge payment was made by debtor, Mortgages Ltd., on 1-18-08 by means of its check #016414 in the amount of \$13,333.33. A copy of this check is attached and marked Exhibit 3. Claimant would call special attention to the attached stub on this check which refers to the 2007 Pledge.
6. A third payment on the Pledge was made by debtor, Mortgages Ltd, on 2-29-08 by means of its check #016815 in the amount of \$2,500.00. A copy of this check is attached and marked Exhibit 4.

7. All of the above payments on the \$40,000.00 Pledge total \$29,166.66, leaving a remaining balance due of \$10,833.34 which is the amount of Claimant's Proof of Claim.

Wherefore, Claimant, ARIZONA JEWISH HISTORICAL SOCIETY, requests the Court to find that it has adequately substantiated its Proof of Claim #269 in the amount of \$10,833.34, and the Court should therefore deny liquidating Trustee's objection to said claim.

Dated this 24<sup>th</sup> day of November, 2009.

  
KENNETH B. DIAMOND  
Attorney for Claimant,  
ARIZONA JEWISH HISTORICAL SOCIETY

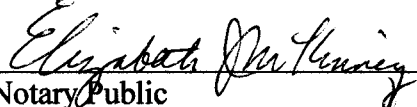
Lawrence Bell hereby declares that he is the Executive Director of the Arizona Jewish Historical Society and in said capacity, he has personal knowledge of the facts that support this response. He further declares that the facts alleged in this Response are true and accurate.

Dated this 24<sup>th</sup> day of November, 2009.

  
LAWRENCE BELL, Executive Director of AJHS

STATE OF ARIZONA        )  
                                      : ss.  
County of Maricopa        )

Subscribed, sworn to and acknowledged before me by LAWRENCE BELL, this 24th of November 2009.

  
Notary Public

My Commission expires: 10-10-12



Copy of foregoing Response  
mailed this 24<sup>th</sup> day of November,  
2009, to:

Myers & Jenkins, P.C.  
William Scott Jenkins  
Jill M. Hulsier  
One East Camelback Road, Suite 200  
Phoenix AZ 85012  
Attorneys for Kevin T. O'Halloran  
Trustee of the ML Liquidating Trust

  
KENNETH B. DIAMOND

Any reply to this Response should be served upon:

Kenneth B. Diamond  
Attorney for Arizona  
Jewish Historical Society  
4710 N. 16<sup>th</sup> Street, Suite 101  
Phoenix AZ 85016  
Phone: 602-870-3200  
Fax: 602-870-9371  
Email: [tvldia@aol.com](mailto:tvldia@aol.com)

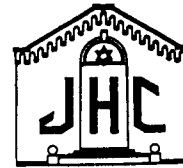
If discussion is desired to facilitate resolution of this matter, you may contact:

Lawrence Bell  
Executive Director of AJHS  
4710 N. 16<sup>th</sup> Street, Suite 201  
Phoenix, AZ 85016  
Phone: 602-241-7870

Mr. Bell has authority to reconcile, settle, or otherwise resolve this dispute on behalf of  
the Claimant.



Arizona Jewish Historical Society  
 4710 N. 16th Street, #201  
 Phoenix, AZ 85016  
 602-241-7870



**CUTLER ✶ PLOTKIN JEWISH HERITAGE CENTER**  
**MAJOR NAMING OPPORTUNITIES**  
 11/1/2008

<b>SITE</b>			
	DECORATIVE IRON FENCE		50,000
	COLONNADE	(20,000)	SOLD
	ENTRY PLAZA	(10,000)	SOLD
	OUTDOOR BIMAH		50,000
	GARDEN TERRACE	(150,000)	SOLD
	20 FENCE PLAQUES		5,000/ea
	<b>HISTORIC TEMPLE BUILDING</b>		1,000,000
	SANCTUARY		300,000
	BIMAH	(50,000)	SOLD
	ARK	(50,000)	SOLD
	LIBRARY	(50,000)	SOLD
	CHOIR LOFT	(30,000)	SOLD
	22 PEWS (14 SOLD - ROWS 1-8, ROW 11 SOLD)		5,000/ea
	10 WINDOW PLAQUES (3 SOLD)		10,000/ea
	RABBI STUDY	(20,000)	SOLD
	2 ALCOVES	(15,000/ea)	SOLD
	<b>MUSEUM BUILDING</b>	(600,000)	SOLD
	GALLERY 1	(50,000)	SOLD
	GALLERY 2	(100,000)	SOLD
	GALLERY 3	(50,000)	SOLD
	GALLERY 4	(50,000)	SOLD
	GALLERY 5	(50,000)	SOLD
	HALL	(40,000)	SOLD
	<b>MULTI USE FACILITY BUILDING</b>		300,000
	ARCHIVE		150,000
	RECEPTION ROOM	(15,000)	SOLD
	DIRECTOR'S OFFICE	(25,000)	SOLD
	OFFICE	(10,000)	SOLD
	GALLERY HALL	(50,000)	SOLD
	BOARD ROOM	(30,000)	SOLD
	SOCIAL HALL	(50,000)	SOLD
	KITCHEN	(30,000)	SOLD
	FOYER		30,000
	<b>GUEST HOUSE HISTORIC BUILDING</b>		100,000
	<b>RECEPTION BUILDING NEW ADDITION</b>		400,000
	GIFT SHOP		50,000
	FRONT WINDOW (12 WINDOWS)		20,000/ea
	<b>WALL OF HONOR</b>		1,000

**MORTGAGES LTD.**  
GENERAL ACCOUNT  
55 E. THOMAS ROAD PH. 602-277-5626  
PHOENIX, AZ 85012

**IRWIN UNION BANK, FSB**  
PHOENIX, ARIZONA  
73-7446-839

04/05/2006

PAY TO THE  
ORDER OF Arizona Jewish Historical Society

\$ \*\*13,333.33

DOLLARS

Thirteen Thousand Three Hundred Thirty-Three and 33/100\*\*\*\*\*

Arizona Jewish Historical Society  
4710 N. 16th Street #201  
Phoenix, AZ 85016

MEMO

⑈010614⑈ ⑆083974467⑆ 83046656⑈

10614

**MORTGAGES LTD. GENERAL ACCOUNT**

Arizona Jewish Historical Society

04/05/2006

Date	Type	Reference
02/07/2006	Bill	Scott M. Coles

Original Amt.  
13,333.33

Balance Due  
13,333.33

Discount  
Check Amount

Payment  
13,333.33  
13,333.33

Irwin Union Checking

13,333.33

3

**Mortgages, LTD.**  
55 East Thomas Rd.  
Phoenix, AZ 85012

**Irwin Union Bank, FSB**  
PHOENIX, ARIZONA  
73-7446-839

016414

DATE 01/18/2008

AMOUNT  
\$13,333.00

Pay Thirteen Thousand Three Hundred Thirty Three Dollars and 00 Cents

to the Order of:

Arizona Jewish Historical Society  
4710 N. 16th Street #201  
Phoenix, AZ 85016

*[Signature]*  
\_\_\_\_\_  
*[Signature]*  
\_\_\_\_\_

⑈016414⑈ ⑆083974467⑆ 83046656⑈

PO Number	Invoice Number	Invoice Date	Description	Payment Number	Check Date	Check Number	Net Paid Amt	Net Check Amt
AR0027	2007 PLEDGE	12/01/2007	Arizona Jewish Historical Society	00003536	01/18/2008	016414	\$13,333.00	\$13,333.00

*TJ*

*(R)*

*Bal 13,334*

*ETK  
BIMASH*

TOTALS: \$13,333.00 \$13,333.00

*Bal. 13,334*

Details on back.  
Security Features Included.

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**Mortgages, LTD.**

55 East Thomas Rd.  
Phoenix, AZ 85012

Irwin Union Bank, FSB  
PHOENIX, ARIZONA  
73-7446-839

016815

DATE 02/29/2008

Pay Two Thousand Five Hundred Dollars and 00 Cents

AMOUNT  
\$2,500.00

to the Order of:

Arizona Jewish Historical Society  
4710 N. 16th Street #201  
Phoenix, AZ 85016

*[Signature]*  
Ann H. Flaherty

⑈016815⑈ ⑆083974467⑆ 83046656⑈