

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA**

Minute Entry

Hearing Information:

Debtor: Mortgages Ltd.
Case Number: 2:08-bk-07465-RJH **Chapter:** 11
Date / Time / Room: THURSDAY, FEBRUARY 25, 2010 11:00 AM 6TH FLOOR #603
Bankruptcy Judge: RANDOLPH J. HAINES
Courtroom Clerk: LORRAINE DAVIS
Reporter / ECR: SHERI FLETCHER

Matters:

- 1) JOINT MOTION TO SELL REAL PROPERTY FREE & CLEAR OF LIENS, CLAIMS, ENCUMBRANCES & INTERESTS FILED BY ML MANAGER
R / M #: 2,619 / 0

- 2) FTI'S MOTION TO APPROVE ORDER PURSUANT TO BK RULE 3020 REQUIRING SEGREGATION OF FUNDS AND FOR COMPLIANCE WITH CONFIRMED PLAN
R / M #: 2,556 / 0

Appearances:

SAM COPPERSMITH, ATTY BUYER
WILLIAM S. JENKINS, ATTORNEY FOR ML LIQUIDATING TRUST
DALE C. SCHIAN, ATTORNEY FOR FTI
CATHY REECE, ATTY ML MANAGER
BRYAN ALBUE, ATTY KCG
ROBERT SHULL, ATTY GOLD CREEK
KEITH HENDRICKS, INVESTORS COMMITTEE
MICHAEL O'MEARA, O'HOLLORAN

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

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Proceedings:

Item #1

Ms. Reece reviews the details of the motion to sell property. The matter was noticed out and there are no other bids. She addresses the objections that were filed and discusses the motion with the court.

Mr. Shull responds and notes he has no objection to the sale. He explains his position.

Mr. Albue wants to be sure his concerns are addressed in the order and confirms which order will be lodged.

Discussions ensue between various counsel and the court.

The court asks for higher bids. There is no response.

COURT: IT IS ORDERED granting the motion and finding MSI West to be a bona fide purchaser.
Counsel is directed to lodge an order.

Item #2

Mr. Schian addresses the motion to approve order requiring segregation of funds. In light of the sale, he will agree to the term sheet previously presented.

Mr. O'Meara responds.

COURT: The court will sign the order when lodged by counsel.