

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

In re:)	CASE NO. <u>2-08-bk-07465-RJH</u>
)	
MORTGAGES LTD)	CH. 11 POST CONFIRMATION REPORT
)	
)	<u> X </u> QUARTERLY <u> </u> FINAL
)	(PLEASE CHECK)
)	QUARTER ENDING: <u>September 30, 2009</u>
)	
Debtor(s))	DATE PLAN CONFIRMED: <u>May 20, 2009</u>

SUMMARY OF DISBURSEMENTS:

A. Disbursements made under the plan, for current quarter:	\$ <u>7,055,800.32</u>
B. Disbursements not under the plan, for current quarter:	\$ <u>0.00</u>
Total Disbursements	\$ <u>7,055,800.32</u>

**ALL DISBURSEMENTS MADE BY THE REORGANIZED DEBTOR, BE
THEY UNDER THE PLAN OR OTHERWISE, MUST BE ACCOUNTED FOR
AND REPORTED HEREIN FOR THE PURPOSE OF CALCULATING THE
QUARTERLY FEES.**

PLEASE ANSWER THE FOLLOWING:

1. What are your projections as to your ability to comply with the terms of the plan?

Subject to prior Reports filed by the Company in this matter, the Company projects that it will be able to comply with the terms of the Plan.

2. Please describe any factors which may materially affect your ability to obtain a final decree.

No negative factors. At this time, we expect to be able to substantially complete the plan and ultimately request a final decree.

3. If plan payments have not yet begun, please indicate the date that the first plan payment is due.

Unknown at this time as outcome is largely dependent on litigation.

FILE ORIGINAL REPORT ELECTRONICALLY WITH THE COURT, FILE A PAPER COPY WITH U.S. TRUSTEE'S OFFICE

SUMMARY OF AMOUNTS DISTRIBUTED UNDER THE PLAN:

	<u>Current Quarter</u>	<u>Paid to Date</u>	<u>Balance Due</u>
A. FEES AND EXPENSES:			
1. Disbursing Agent Compensation	\$ _____	\$ _____	\$ _____
2. Fee for Attorney for Trustee	\$ <u>250,000.00</u>	\$ <u>250,000.00</u>	\$ <u>Unknown</u>
3. Fee for Attorney for Debtor	\$ _____	\$ _____	\$ _____
4. Other Professionals	\$ _____	\$ _____	\$ _____
5. All Expenses, Including Disbursing Agent's	\$ <u>379,688.29</u>	\$ <u>770,203.21</u>	\$ <u>Unknown</u>
B. DISTRIBUTIONS:			
6. Secured Creditors	\$ <u>39,165.69</u>	\$ <u>39,165.69</u>	\$ <u>-0-</u>
7. Priority Creditors	\$ _____	\$ _____	\$ _____
8. Unsecured Creditors	\$ _____	\$ _____	\$ _____
9. Equity Security Holders	\$ _____	\$ _____	\$ _____
10. Other Payments- Specify Class of Payee	\$ <u>6,386,946.34</u>	\$ <u>6,386,946.34</u>	\$ <u>Unknown</u>
<u>Admin Claims (All professional fees)</u>	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
TOTAL PLAN DISBURSEMENTS	\$ <u>7,055,800.32</u>	\$ <u>7,446,315.24</u>	\$ <u>Unknown</u>
(Report Sum of Lines 1 - 10, <i>current quarter column</i> , on page 1, A.)			

C. Percent Dividend to be Paid to Unsecured Creditors Under Plan Unknown %

SUMMARY OF PROPERTY TRANSFERRED UNDER THE PLAN:

<u>Description of Property</u>	
Secured Creditors	See Plan for All Details _____
Priority Creditors	See Plan for All Details _____
Unsecured Creditors	See Plan for All Details _____
Equity Security Holders	See Plan for All Details _____
Other Transfers- Specify class of Transferee	
_____	_____
_____	_____

CONSUMMATION OF PLAN:

If this is a final report, has an application for Final Decree been submitted?


 Yes **Date application was submitted?**

 X **No** **Date when application will be submitted** Unknown

Estimated Date of Final Payment Under Plan Unknown

**I CERTIFY UNDER PENALTY OF PERJURY THAT THE ABOVE INFORMATION IS
TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.**

SIGNED:



DATE: 10-27-09

VERONICA SAS
(PRINT NAME)