

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

**In re:** ) **CASE NO. 2-08-bk-07465-RJH**  
 )  
**MORTGAGES LTD** ) **CH. 11 POST CONFIRMATION REPORT**  
 )  
 )  **X  QUARTERLY   FINAL**  
 ) **(PLEASE CHECK)**  
 ) **QUARTER ENDING: December 31, 2009**  
 )  
 )  
**Debtor(s)** ) **DATE PLAN CONFIRMED: May 20, 2009**

**SUMMARY OF DISBURSEMENTS:**

|                                                                   |                               |
|-------------------------------------------------------------------|-------------------------------|
| <b>A. Disbursements made under the plan, for current quarter:</b> | <b>\$ <u>1,260,666.44</u></b> |
| <b>B. Disbursements not under the plan, for current quarter:</b>  | <b>\$ <u>0.00</u></b>         |
| <b>Total Disbursements</b>                                        | <b>\$ <u>1,260,666.44</u></b> |

**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?**

At this time ML Servicing Co., Inc anticipates that it will be able to substantially comply with the terms of the Plan.

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

At this time ML Servicing Co., Inc. anticipates that it will be able to substantially comply with the terms of 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.

**SUMMARY OF AMOUNTS DISTRIBUTED UNDER THE PLAN:**

|                                                                             | <u>Current Quarter</u> | <u>Paid to Date</u>    | <u>Balance Due</u> |
|-----------------------------------------------------------------------------|------------------------|------------------------|--------------------|
| <b>A. FEES AND EXPENSES:</b>                                                |                        |                        |                    |
| 1. Disbursing Agent Compensation                                            | \$ <u>25,000</u>       | \$ <u>25,000</u>       | \$ <u>Unknown</u>  |
| 2. Fee for Attorney for Trustee                                             | \$ <u>229,005.27</u>   | \$ <u>479,005.27</u>   | \$ <u>Unknown</u>  |
| 3. Fee for Attorney for Debtor                                              | \$ <u>4,068.00</u>     | \$ <u>4,068.00</u>     | \$ <u>Unknown</u>  |
| 4. Other Professionals                                                      | \$ <u>5,000.00</u>     | \$ <u>5,000.00</u>     | \$ <u>Unknown</u>  |
| 5. All Expenses, Including Disbursing Agent's                               | \$ <u>369,190.04</u>   | \$ <u>1,139,393.25</u> | \$ <u>Unknown</u>  |
| <b>B. DISTRIBUTIONS:</b>                                                    |                        |                        |                    |
| 6. Secured Creditors                                                        | \$ <u>217,403.13</u>   | \$ <u>256,568.82</u>   | \$ <u>Unknown</u>  |
| 7. Priority Creditors                                                       | \$ _____               | \$ _____               | \$ _____           |
| 8. Unsecured Creditors                                                      | \$ _____               | \$ _____               | \$ _____           |
| 9. Equity Security Holders                                                  | \$ _____               | \$ _____               | \$ _____           |
| 10. Other Payments- Specify Class of Payee                                  | \$ <u>411,000.000</u>  | \$ <u>6,797,946.34</u> | \$ <u>Unknown</u>  |
| <u>Admin Claims (All professional fees)</u>                                 | \$ _____               | \$ _____               | \$ _____           |
| _____                                                                       | \$ _____               | \$ _____               | \$ _____           |
| <b>TOTAL PLAN DISBURSEMENTS</b>                                             | \$ <u>1,260,666.44</u> | \$ <u>8,706,981.68</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                          | <u>  </u> See Plan for All Details _____ |
| Equity Security Holders                      | <u>  </u> 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?**

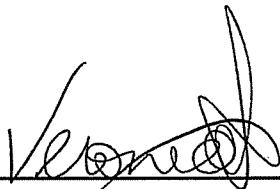
           **Yes**    **Date application was submitted?**

  **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:** 1-29-10

VERONICA SAS  
(PRINT NAME)