

**IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT  
IN AND FOR MIAMI-DADE COUNTY, FLORIDA**

STATE OF FLORIDA, OFFICE OF  
FINANCIAL REGULATION,

Case No. 07-43672 CA 09

Plaintiff,

v.

BERMAN MORTGAGE  
CORPORATION, a Florida corporation,  
M.A.M.C. INCORPORATED, a Florida  
corporation, DANA J. BERMAN, as  
Owner and Managing Member,

Defendants.

and

DB ATLANTA, LLC, a Florida limited  
liability company, et al.,

Relief Defendants.

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**RECEIVER'S MOTION FOR AUTHORIZATION TO LOAN PROJECTS WITH  
OUTSTANDING PRIMING LOANS FUNDS TO SATISFY PRIMING LOANS**

Michael I. Goldberg, as State Court Appointed Receiver over Defendants Berman Mortgage Corporation, M.A.M.C. Incorporated, et al., and Relief Defendants DB Atlanta LLC, et al., (the "Receiver"), by and through undersigned counsel, hereby files this Motion for Authorization to Loan Projects with Outstanding Priming Loans Funds to Satisfy Priming Loans. In support of this Motion, the Receiver states as follows:

1. On December 11, 2007, this Court appointed Michael Goldberg as the receiver for the Defendants and the Relief Defendants (collectively, the "Receivership Defendants") to

prevent the waste and dissipation of the Receivership Defendants' assets to the detriment of investors who entrusted over \$192 million to the Receivership Defendants.

2. As part of his duties in administering the receivership, the Receiver uncovered potential claims against the Receivership Defendants' accountants. Accordingly, the Receiver, in conjunction with a class of creditors, brought claims against the accountants. Subsequently, a settlement with the accountants was reached and a pool of money was available to satisfy certain creditors' claims.

3. On or about March 9, 2010, the Receiver filed the *Receiver's Motion for an Order Approving the Proposed Priority of Distribution and Procedures for the Disbursement of Funds Recovered by Receiver in an Accounting Professional Liability Claim* (the "Distribution Motion").

4. The Court granted the Distribution Motion, and shortly thereafter, the Receiver made a distribution of a substantial portion of the settlement proceeds. With the Court's permission, the Receiver held back several million dollars of the settlement proceeds to fund future and current administrative expenses as well as to make loans to various projects on an as-needed basis. More specifically, the Receiver is still administering approximately 15 projects (down from 34 at the start of the receivership). Many of these projects are either embroiled in litigation or currently being marketed for sale and require that certain essential expenses, such as taxes and insurance, be paid in order to preserve the project's value.

5. Loans are not being made merely based on need. Rather, loans are only made to a project if the Receiver believes that there is a substantial likelihood that the project will ultimately be able to repay the loan, together with interest at 4%. Moreover, the Receiver is not

making these loans solely based on his own decision. Only if the Executive Committee agrees does the Receiver seek the Court's authorization to make the loan.<sup>1</sup>

6. During the Course of this receivership, the Receiver has borrowed funds from lenders on specific projects in order to pay necessary expenses of such projects to preserve their value (the "Priming Loans"). The Priming Loans bear interest from 8% to 12% and have been granted a first priority lien, with the Court's authorization, on the property to which the money was loaned. The Receiver proposes to loan the projects with outstanding Priming Loans funds at 4% in order for them to be able to satisfy their outstanding Priming Loans. This will save these projects significant financing costs by reducing the interest rate they are currently paying and also relieve administrative burden by consolidating all the loans to a single lender—the receivership estate. The receivership estate will also benefit by this action because it is currently earning significantly less interest on the money being held in trust by the Receiver. A list of the projects with outstanding Priming Loans to which the Receiver proposes to loan funds is attached hereto as Exhibit "A".

7. The Receiver and the Executive Committee believe the loans are fully secured by the value of the respective property. The loans, together with all accrued interest, will be payable on sale of the property. Moreover, each project will reimburse the receivership estate \$250 in fees and costs incurred in obtaining approval of its loan.<sup>2</sup> The Receiver and the Executive Committee believe making these loans is in the best interest of the receivership estate.

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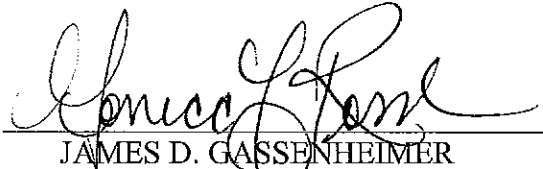
<sup>1</sup> As the Court is aware, at the outset of the receivership, the Receiver set up committees comprised of lenders for each loan (a "lender committee") and one overall committee made up of at least one lender from each loan (the "Executive Committee") to advise the Receiver.

<sup>2</sup> This fee will be added to the outstanding loan balance.

**WHEREFORE**, Michael I. Goldberg, in his capacity as Receiver of Berman Mortgage, M.A.M.C. and related entities, respectfully request this Court to enter an Order authorizing the Receiver to make the loans described herein and to grant such further relief as is just and proper.

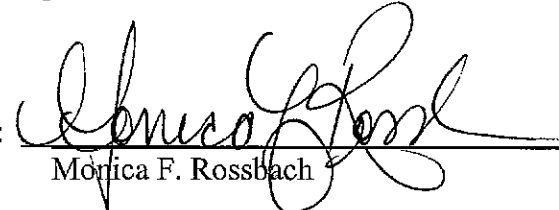
Respectfully Submitted,

**BERGER SINGERMAN**  
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By:   
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**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that on this 7<sup>th</sup> day of September, 2010, a true and correct copy of the foregoing was furnished via U.S. Mail to the parties on the attached Service List.

By:   
\_\_\_\_\_  
Monica F. Rossbach

**SERVICE LIST**

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cc: Michael Goldberg, Esq., as Receiver *(via e-mail)*  
 The Investor(s)/Lender(s) Group *(via e-mail)*  
 Posted to the Berman Mortgage Website

3064944-2

Borrower Name	Principal Balance	Closing Date	Interest Rate	Unpaid Interest	TOTAL	In Bank Account	Net
Priority Loan-DBKN Gulf	\$1,630.33	02/29/2008	8.00%	\$337.38	\$1,967.71		\$1,967.71
Priority Loan - Biloxi/Edgewater/Gulfside	\$90,000.00	04/01/2008	8.00%	\$18,014.71	\$108,014.71	\$61,822.00	\$46,192.71
MAMC Bella Vista - Priority Loan	\$159,720.00	04/03/2008	8.00%	\$31,900.29	\$191,620.29		\$191,620.29
<b>Capital Call Gulf Island</b>	<b>\$39,955.18</b>	<b>04/13/2007</b>	<b>8.00%</b>	<b>\$11,077.98</b>	<b>\$51,033.16</b>		<b>\$51,033.16</b>
MAMC Project Mngrs, LLC (Priority Loan)	\$30,484.22	04/13/2009	10.00%	\$4,468.23	\$34,952.45		\$34,952.45
Top Two	\$12,791.68	8/29/2008	8.00%	\$2,054.35	\$14,846.03		\$14,846.03
	\$334,581.41				\$402,434.36		\$340,612.36

