

**IT IS HEREBY ADJUDGED
and DECREED this is SO
ORDERED.**

The party obtaining this order is responsible for
noticing it pursuant to Local Rule 9022-1.

Dated: July 26, 2006



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RANDOLPH J. HAINES
U.S. Bankruptcy Judge

5 Lawrence E. Wilk, #006510
6 Jonathan P. Ibsen, #023284
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13 Special Counsel to the Reorganized Debtors*

UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA

14 In re:

15 AMERICAN NATIONAL MORTGAGE
16 PARTNERS, LLC,

Debtor.

In Proceedings Under
Chapter 11

Case Nos: 03-03803 PHX RJH
03-03799 PHX RJH

17 In re:

18 ANMP 74TH ST., LLC,

Debtor.

**ORDER APPROVING SETTLEMENT
WITH STANFORD E. LERCH AND
SUSAN LERCH**

21 This matter came before this Court pursuant to the *Notice of Proposed Settlement with
22 Stanford E. Lerch and Susan Lerch* filed by the Reorganized Debtors, and no party having
23 responded or objected to the *Notice*.

24 The Court has considered the Motion, there being no objections thereto, it is
25 **ORDERED**, approving the Settlement attached hereto as Exhibit "A", and
26 **IT IS FURTHER ORDERED**, that the Reorganized Debtors are authorized to enter into
27 any and all documents necessary to consummate the Settlement.

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JABURG & WILK, P.C.
ATTORNEYS AT LAW
3200 NORTH CENTRAL AVENUE
SUITE 2000
PHOENIX, ARIZONA 85012

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DATED this _____ day of _____, 2005.

THE HONORABLE RANDOLF J. HAINES
UNITED STATES BANKRUPTCY JUDGE

GRANTED

JABURG & WILK, P.C.
ATTORNEYS AT LAW
3200 NORTH CENTRAL AVENUE
SUITE 2000
PHOENIX, ARIZONA 85012

GRANTED

Exhibit "A"

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the "Agreement"), between Stanford E. Lerch and Susan Lerch ("Lerch") and James C. Sell as Receiver, and on behalf of the Debtor Entities set forth in Exhibit "A" ("Debtors" collectively referred to as "Parties") effective upon satisfaction of the conditions precedent set forth below, is a full compromise and settlement of claims pursuant to the terms and conditions set forth herein.

THIS AGREEMENT SHALL BE OF NO EFFECT, AND NO PARTY WILL BE BOUND BY ANY OF ITS PROVISIONS, UNTIL AND UNLESS IT IS APPROVED BY THE UNITED STATES BANKRUPTCY COURT, FOR THE DISTRICT OF ARIZONA, IN THE PENDING BANKRUPTCY CASE NO. 03-03799.

ARTICLE I. RECITALS.

- 1.1 Stanford E. Lerch and Susan Lerch are husband and wife.
- 1.2 On March 10, 2003, American National Mortgage Partners, LLC ("ANMP") filed for Bankruptcy relief, cause number 03-03803 (the "Bankruptcy Proceeding").
- 1.3 On March 25, 2003, the Arizona Corporation Commission filed a lawsuit in Maricopa County Superior Court; cause number CV2003-005724 against numerous parties, requesting various forms of relief, including the appointment of a Receiver on behalf of the Defendant Entities (the "Receivership Proceeding").
- 1.4 James C. Sell was subsequently appointed as the Receiver of the Defendants to the Receivership Proceeding (the "Receiver"), and thereafter the Bankruptcy Court granted him relief from stay, and included the Debtor Entities as Receivership Entities.
- 1.5 Subsequently, the remaining entities listed on Exhibit "A" were substantively consolidated with ANMP in the Bankruptcy Proceeding.
- 1.6 Debtors claim an interest in certain real property more particularly described below (the "Property"):

Unit 19, Park Fifth Avenue Condominiums and PARK FIFTH AVENUE CONDOMINIUMS, according to the declaration of horizontal property regime recorded at recorders number 83-174934 and according to the plat of record in book 252 of maps, page 32, records of Maricopa County Arizona;

together with an undivided interest in and to the common elements as set forth in said declaration and as designated on said plat.

by way of a secured interest arising out of a Note in the principal amount of \$25,000 signed by Lerch on September 17, 2002.

1.7 Lerch has defaulted under the terms of the Note, and there is a dispute as to the amounts that are currently owed. Lerch wishes to buy peace, avoid costly and prolonged litigation, and is willing to effect a settlement, subject to the terms and conditions set forth below.

1.8 Such compromises are in the best interest of the Debtors as they will eliminate the risk associated with protractive litigation and realize monies for the Debtors Estates.

1.9 The Parties have agreed to affect the full compromise and settlement and any and all claims which each of them may have, or a claim against each other, their employees and agents, arising out of the Note as previously described, and subject to the terms and conditions set forth below.

ARTICLE 2
AGREEMENT.

Based on the foregoing Recitals, all of which are incorporated by reference, the Parties hereby warrant, represent and agree as follows:

2.1 The Recitals set forth in Article I above are contractual in nature, and shall constitute a basis for determining the intent of the parties to this Agreement.

2.2 The Receiver agrees to accept the total sum of \$25,000.00, (the "Settlement Proceeds"), to be paid by Lerch, in exchange for a complete release of any and all claims the Receiver may have against Lerch. The Settlement Proceeds shall be paid with ten (10) days of Court approval of this Settlement Agreement.

2.3 In addition to the payment referenced hereinabove, Lerch agrees to release and waive any claim that they may have for distributions from the Debtors' Estates, either on their own behalf, or on behalf of any related entities; including but not limited to Lerch & DePrima, PLC.

2.4 Upon payment in full, the Receiver shall consider the Note paid in full.

2.5 In consideration of the payment of the Settlement Proceeds identified in paragraph 2.2 above, Debtors, the Receiver and Lerch hereby release and forever discharge each other from any and all liability, rights, claims, demands, actions, or causes of actions of any kind or nature that each may have against the other, or their corporations, employees, agents, independent contractors or their respective martial communities.

2.6 The Parties acknowledge and agree that they have been represented by counsel in this matter, and have conducted an independent investigation regarding the facts and circumstances regarding any claim or claims that they have or may have, as well as the terms and conditions of this Agreement.

2.7 In the event that Court Approval of this Agreement is not granted, the parties retain any and all claims and defenses that existed prior to entering into the terms and provisions of this Agreement.

2.8 Upon issuance of an Order approving this Agreement, Lerch waives any and all rights in the Bankruptcy Proceeding; including, but not limited to, the right to object to administrative expenses sought by the professionals of the Debtor.

ARTICLE 3.
MISCELLANEOUS PROVISIONS.

3.1 The terms and conditions of this Agreement shall survive the execution hereof and shall remain in full force and effect thereafter.

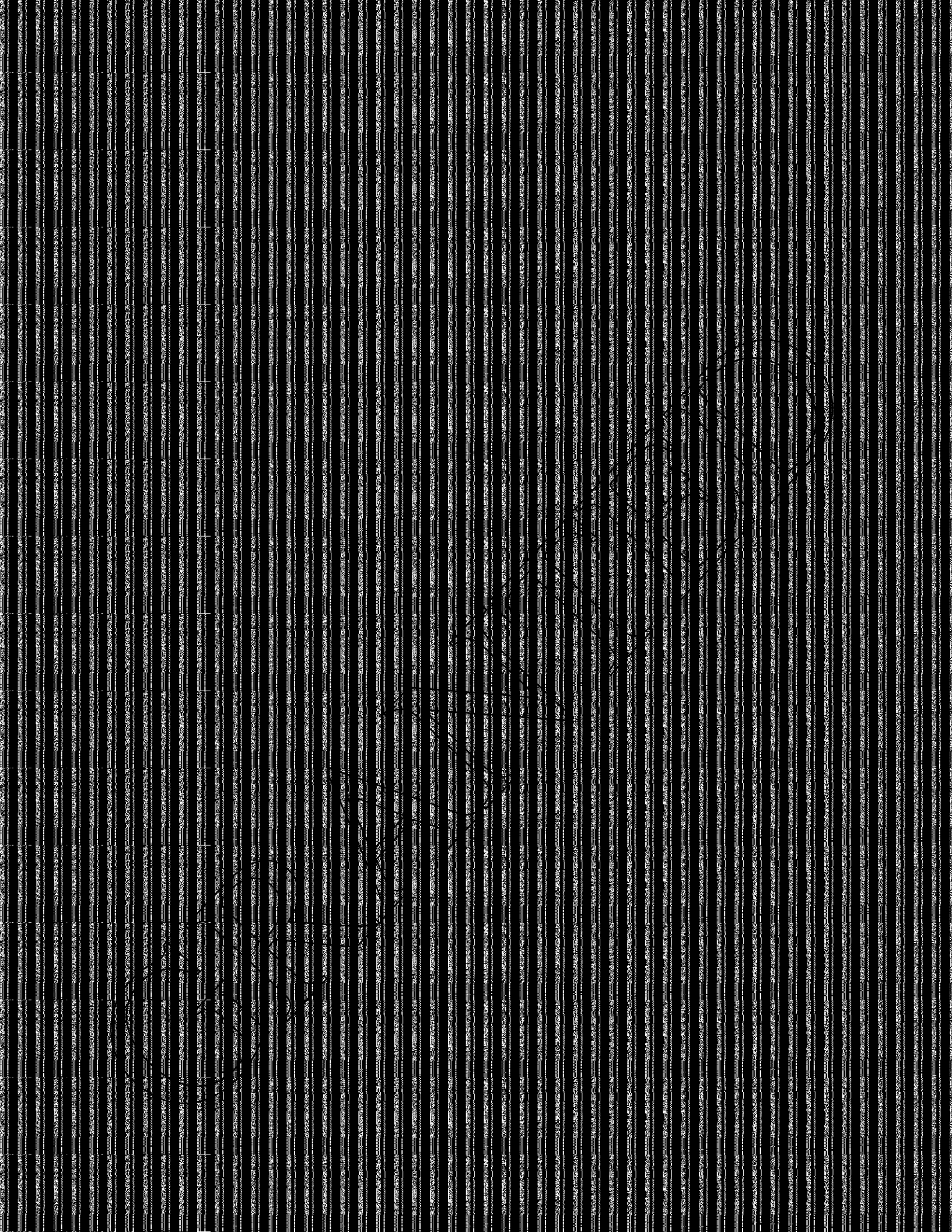
3.2 This Agreement represents the entire understanding and agreement of the parties and any representations, discussions, or negotiations between the Parties and their agents, or any third party, with respect to the subject matter hereof.

3.3 This Agreement shall be governed by, and construed in accordance with, the laws of the State of Arizona.

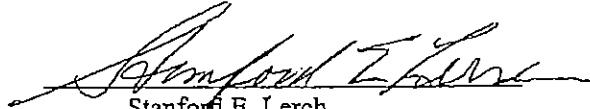
3.4 Each party acknowledges their participation in the negotiating and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by all of the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

3.5 This Agreement shall not be changed, modified or terminated without the written consent of the parties hereto and subsequent Order of the Bankruptcy Court.

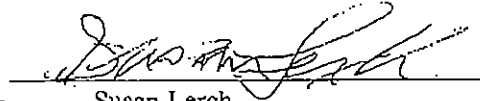
3.6 Any notice, request, instruction, correspondence, or other document to be given hereunder by any party hereto to another, shall be in writing and delivered personally to its intended recipient or mailed by registered or certified mail, postage prepaid, and return receipt requested, to the intended recipient, with said notice being effective five (5) days after mailing. Any party may send any notice, request, demand, claim or other communication hereunder to the intended recipient using any other means, including personal delivery, expedited courier, message service, facsimile, ordinary mail, or electronic mail, but no such notice, request, demand, claim or other communication



6-30-06
Date


Stanford E. Lerch

6/30/06
Date


Susan Lerch

GRANTED