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Dated: February 06, 2006

GEORGE B. NIELSEN, JR
U.S. Bankruptcy Judge

Attorney for Movant

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

IN RE:

CHAPTER 11

MATHON FUND LLC,

CASE NO: 2:05-bk-27993-GBN

Debtor,

**(Jointly Administered with Case Nos.
05-27994-PHX-SSC and
05-27995-PHX-JMM)**

**BAR K, INC., R.E. LOANS, INC., its
assignees and/or successors,**

ORDER APPROVING STIPULATION

vs.
Movants,

MATHON FUND LLC, Debtor,

Respondent.

This matter having come before the court on a Motion for Relief from the Automatic Stay; the parties having entered into a Stipulation for Removal of Bankruptcy Stay; and, good cause appearing;

IT IS ORDERED approving the Stipulation to Lift the Automatic Stay, attached hereto as Exhibit "A".

DATED this _____ day of _____, 2006.

UNITED STATES BANKRUPTCY JUDGE

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10 File No: B.144-007S

11 Attorneys for Movants

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

14 **MATHON FUND, LLC,**
15 **Debtor.**

Bankruptcy No. 2:05-bk-27993-GBN
Chapter 11

17 **BAR-K, INC., R.E. LOANS, INC.,**
18 **Movants,**

STIPULATION FOR REMOVAL
OF BANKRUPTCY STAY

19 **vs.**

20 **MATHON FUND, LLC,**
21 **Respondent.**

22 The parties to this Stipulation are (1) all those Movants who are particularly
23 described on two Assignments of Deed of Trust dated September 3, 2002 and March 3,
24 2004. and (2) Respondent Mathon Fund, LLC. Future reference to the parties will be made
25 to "Movants" and "Respondent". Copies of the two Assignments of Deed of Trust which set
26

1 forth the composition of Movants are attached hereto, marked Exhibits "A" and "B", and
2 incorporated herein by reference,

3 Movants and Respondent hereby stipulate and agree as follows:

4 (1) All stays and injunctions, including the automatic stays pursuant to Section
5 362(a) of the United States Bankruptcy Code are hereby vacated effective immediately and
6 upon the entry of this Stipulation and Order Thereon, with respect to the real property which
7 is the subject of a Note Secured By Deed of Trust dated June 12, 2002, and a Deed of
8 Trust Assignment of Rents and Fixture Filing dated June 12, 2002, which was recorded on
9 May 20, 2002, in the Official Records of the County of San Mateo, State of California, as
10 Document Number 2002-119882. The subject real property is located at 122 Lakeview
11 Drive, Woodside, California, and legally described on the attached Exhibit "C", which is
12 incorporated herein by reference (hereinafter the "subject real property").

13 (2) Upon entry of the Order Approving the Stipulation between Movants and
14 Respondent, a Notice of Sale of the subject real property will be recorded by Movants in
15 accordance with California Law. Movants will be free to conduct a foreclosure sale on or
16 after March 1, 2006. subject to Paragraph (3).

17 (3) By Respondent making timely payments in certified funds, made payable to
18 Bar-K, Inc. and delivered to the office of Movants Counsel, the foreclosure sale of the
19 subject real property will be continued by Movants from time to time (so long as the monthly
20 payments are being made) until July 1, 2006, without further Order of the Court, as follows:

<u>PAYMENT DUE DATE</u>	<u>AMOUNT</u>	<u>CONTINUED SALE DATE</u>
February 22, 2006	\$123,320.00	April 1, 2006
March 22, 2006	\$123,320.00	May 1, 2006
April 22, 2006	\$123,320.00	June 1, 2006
May 22, 2006	\$123,320.00	July 1, 2006

26 (4) Should any of the four payments be missed on its due date, then Movants are

1 free to conduct a foreclosure sale of the subject real property on the next scheduled
2 foreclosure sale date without any further notice to Respondent, and without any further
3 Order of the Court.

4 (5) Respondent agrees to waive any challenge to the Movants Proof of Claim
5 filed on December 2, 2004, in the Chapter 11 Case of In Re: James Paulett Charlton
6 (Northern District of California, Case No. 04-32400-TEC11--hereinafter referred to as the
7 "Charlton Bankruptcy") and updated by the Declaration of Kelly Ng filed in the within
8 Bankruptcy on January 12, 2006. As of January 27, 2006, total the sum owing Movants is
9 \$8,827,797.13, as set forth in the accompanying Payoff Breakdown, a copy of which is
10 attached hereto, marked Exhibit "D", and is incorporated herein by reference.

11 (6) Respondent agrees to waive any challenge to Movants foreclosure of the
12 subject real property, including, but not limited to an attempt to modify Movants right to
13 foreclose if there is a default or failure to pay off the loan in full.

14 (7) This Stipulation is binding on any conversion to another Chapter of the
15 Bankruptcy Act, whether voluntary, or otherwise, a Dismissal of the Bankruptcy, whether
16 voluntary, or otherwise, and/or a re-filing by or against the Respondent, or related entity.

17 (8) This Stipulation is further conditioned upon the obtaining an Order of Relief
18 from Stay by Movants in the Charlton Bankruptcy, and further conditioned upon
19 Respondent opposing the sale of the subject real property by the Chapter 11 Trustee in the
20 Charlton Bankruptcy, supporting Movants right to immediate relief from stay in the Charlton
21 Bankruptcy, and asserting its own desire to market the subject real property.

22 (9) This Stipulation will be further binding upon the Respondent in these
23 proceedings and upon any successor Trustee; however, it is acknowledged that the
24 Charlton Bankruptcy is pending, that it is the Respondent's responsibility to oppose the
25 Chapter 11 Trustee from selling the subject real property, and that Movants make no
26 representations that relief from stay will be obtained by it in the Charlton Bankruptcy. If the

1 Court in the Charlton Bankruptcy orders a sale over the objection of Movants and other
2 parties, the Respondent is nonetheless still bound by the terms of this Stipulation and
3 Order.

4 (11) The terms of any Disclosure Statement or Plan of Reorganization proposed
5 for confirmation shall be consistent herewith.

6 (12) Should there be a default of any of the terms and conditions contained in
7 Paragraphs (5) through and including Paragraph (11), Movants may proceed to conduct a
8 foreclosure sale at the next regularly scheduled foreclosure sale date without further Order
9 of the Court.

10 (12) Rule 4001(a)(3) of the Rules of Federal Bankruptcy Procedure is not
11 applicable and Movants may immediately enforce and implement any Order entered by the
12 Court consistent herewith.

13 (13) Any hearings scheduled in this matter are vacated upon entry of the Order
14 Approving this Stipulation.

15 DATED this _____ day of _____, 2006

16 Charles L. Firestein, P.C.

17
18 By: /s/ Charles L. Firestein (#002986)

19 Charles L. Firestein
Attorney for Movants

20 Jaburg & Wilk, PC

21 By: /s/ Lawrence E. Wilk (#006510)

22 Lawrence E. Wilk
Attorney for Respondent

23 Stinson Morrison Hecker, LLP

24 By: /s/ Alan A Meda #(009213)

25 Alan A. Meda
Attorney for Official Creditors Committee
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