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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

MARC SPITZER, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

In the matter of:

AMERICAN NATIONAL MORTGAGE
PARTNERS, L.L.C.
15021 N. 74th Street, Suite 100
Scottsdale, Arizona 85260

SECURA INNOVATIVE INVESTMENT,
INC.
15021 N. 74th Street, Suite 100
Scottsdale, Arizona 85260

SECURA MORTGAGE MANAGEMENT,
L.L.C.
15021 N. 74th Street, Suite 100
Scottsdale, Arizona 85260

CASH FLOW UNIVERSITY, INC.
15021 N. 74th Street, Suite 100
Scottsdale, Arizona 85260

SECURA FUND ARIZONA, L.L.C.
15021 N. 74th Street, Suite 100
Scottsdale, Arizona 85260

LARRY WILLIAM DUNNING and SHEILA
DUNNING, husband and wife
5635 E. Lincoln Dr., #23
Paradise Valley, Arizona 85253-4121

PHIL VIGARINO and JANE DOE
VIGARINO, husband and wife
15021 N. 74th Street, Suite 100
Scottsdale, Arizona 85260

) Docket No. S-03491A-02-0000

) STATUS UPDATE

RECORDED
2004 JAN 26 P 2 16
AZ CORP COM
DOCKETED

Arizona Corporation Commission

DOCKETED

JAN 26 2004

DOCKETED BY	
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1 ROBERT K. REHM)
 15021 N. 74th Street, Suite 100)
 2 Scottsdale, Arizona 85260)
 3 MARK KESLER and JANE DOE KESLER,)
 husband and wife)
 4 10783 W. Encanto Blvd)
 Avondale, Arizona 85323)
 5 FRANK CASPARE and GAIL CASPARE,)
 6 husband and wife)
 7 27 Taconic)
 Millwood, NY 10546-1125)
 8 Respondents.)
 9 _____)

10 Pursuant to Administrative Law Judge Wolfe's Eleventh Procedural Order dated May 19,
 11 2003, the Division hereby submits its second 90 day status update.

12 On September 5, 2002, a Temporary Cease and Desist Order was issued against the above
 13 listed Respondents. The Respondents requested a hearing on this matter. On March 10, 2003,
 14 Respondent American National Mortgage Partners LLC ("ANMP") filed for protection under
 15 Chapter 11 of the United States Bankruptcy Code. On March 10, 2003, the Division filed a Motion
 16 to Stay the Administrative Proceeding and Request for Leave to File Matter in Superior Court. An
 17 Open Meeting was held on March 11, 2003, and the Commissioners authorized the Division to
 18 proceed in Maricopa County Superior Court.

19 On March 25, 2003, the Commission filed a Verified Complaint against the above
 20 Respondents and a number of additional Defendants (CV2003-005724 Arizona Corporation
 21 Commission vs. American National Mortgage Partners LLC et al.) On April 2, 2003, the
 22 Honorable Judge J. Richard Gama entered an Order for Preliminary Injunction and an Order
 23 Appointing a Receiver. James C. Sell is the appointed Receiver on this matter.

24 On April 23, 2003, the Honorable Judge Haines granted the Commission's Motion for
 25 Relief from the Automatic Stay in the Bankruptcy proceedings of ANMP and ANMP 74th St LLC.
 26

1 On August 26, 2003, the Commission filed an Amended Verified Complaint, Second
2 Amended Order Appointing Receiver and the First Amended Order of Preliminary Injunction.

3 The individual Defendants have obtained counsel and have answered the verified complaint
4 or the amended verified complaint. The parties have stipulated to extending the time for filing
5 Rule 26 disclosures until February 17, 2004. Two of the Defendants have provided deposition
6 testimony.

7 The Receiver and his counsel have been active in attempting to collect funds from the
8 various borrowers. The Receiver and one borrower, Castle Megastores ("Castle"), have reached a
9 stipulation regarding the outstanding debt owed by Castle. The stipulation was included in Castle's
10 plan of reorganization which is currently being presented to the creditors of Castle.

11 The Receiver has also reached a settlement with another borrower. That settlement has
12 been approved by Judge Gama. The Receiver is actively pursuing all avenues to locate and secure
13 assets of the receivership estate as required by the Court.

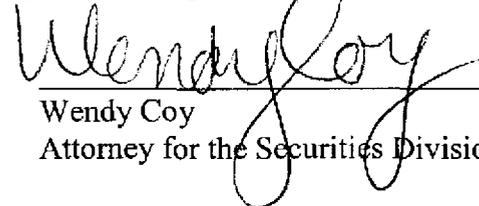
14 The investigation is continuing and the Division is working closely with Defendants'
15 counsel, the Receiver and the Receiver's counsel in an attempt to resolve this matter as quickly as
16 possible and in the best interests of the investors.

17 The Division will submit another status report in 90 days as required by the Procedural
18 Order dated May 19, 2003.

19 RESPECTFULLY SUBMITTED this 26th of January, 2004.

21 ARIZONA CORPORATION COMMISSION

22 By


Wendy Coy
Attorney for the Securities Division

1 A copy of the foregoing was mailed this
2 ~~24~~ day of January, 2004 to:

3 James P. Kneller, Esq.
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5 Scottsdale, Arizona 85251
6 Attorney for Defendants Rehm and Rutledge

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8 Chester & Schein, P.C.
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10 Scottsdale, Arizona 85258
11 Attorney for Defendant Kesler

12 Larry Wilk
13 Jaburg & Wilk
14 3200 N. Central Ave. Suite 2000
15 Phoenix, Arizona 85012-2440
16 Attorney for Receiver

17 Donald M. Peters, Esq.
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19 5225 N. Central, Suite 235
20 Phoenix, Arizona 85012
21 Attorney for Defendant Paul and Carol Meka

22 Anthony E. DePrima, Esq.
23 Lerch & DePrima, P.L.C.
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26 Attorney for Defendants Frank and Gail Caspare, Larry and Sheila Dunning
and Phil and Tricia Vigarino