

**UNITED STATES DISTRICT COURT
FOR THE Northern District of Illinois – CM/ECF LIVE, Ver 5.0.3
Eastern Division**

UNITED STATES OF AMERICA

Plaintiff,

v.

Case No.: 1:06-cr-00964

Honorable Ronald A. Guzman

Michael E. Kelly

Defendant.

NOTIFICATION OF DOCKET ENTRY

This docket entry was made by the Clerk on Tuesday, April 10, 2012:

MINUTE entry before the Honorable Ronald A. Guzman as to Michael E. Kelly: Status hearing held on 4/10/2012. The Government represents that it does not consider those purchasers who paid cash for Condominiums at Bella Vista to be victims of the scheme alleged in the information although they may constitute relevant conduct for sentencing considerations. Those who rolled over their universal leases for Bella Vista condominiums are victims of the scheme and have been notified of these proceedings as such. The Court concurs. The special master proposes to sell the Kelly Corporate Offices building in downtown Cancun, for approximately \$715,000. Victims have been notified of this proposed sale and their comments have been considered. The offer to sell the building has been published and no other bids have been received. The Government concurs with the proposed sale. The Court approves the sale. The special master proposes to sell the Kelly owned yacht for \$1 million. A potential buyer has put down \$100,000.00. The Government does not object. Given the circumstances as detailed in open court, the Court approves the sale for \$1 million. The Court further waives the notification period due to circumstances of this particular asset. The special master has received an offer to purchase the Avalon Grand Hotel in Cancun for \$10 million. The due diligence period is closed and a tentative contract has been signed. The Government does not object. The Court approves the sale subject to the possibility of any topping bid. The Universal leases have been terminated. No victim has opted to pay to maintain the lease. A single victim (Mr. Dietrich) believes he has paid all maintenance fees in perpetuity in advance. The special master has no record of any such payment and this victim has not provided any documentation. However, the Court directs Stenger & Stenger to write to this victim and request that he submit any documentation he has in support of his contention. The Court approves the initiation of a consulting contract for Mr. Raphael Lange – the ex director of Puerto Cancun on the terms specified by the special master in open court. The Government does not object. At the Government's request the requirement that the special master file quarterly reports is terminated. The next report from the special master will be due 7/15/2012. Future reports will be on dates set by the Court. Status hearing set for 5/2/2012 at 02:00 PM. Oral motion of government to exclude time is granted. In the interest of justice, time from 4/10/12 to and including 5/2/12 is excluded under 18 USC § 3161 (h)(7)(A)–(B). Mailed notice (cjb,)

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