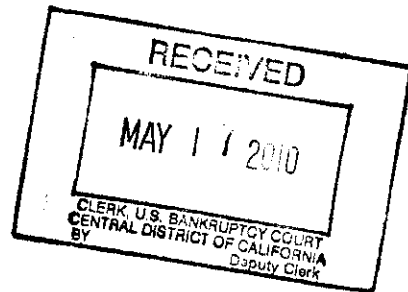


DAVENPORT PARTNERS



Honorable Kathleen Thompson
United States Bankruptcy Court
21041 Burbank Blvd.,
Suite 305
Woodland Hills, CA 91367



Re: Meruelo Maddux Properties Inc., Case No. 1:09-bk-13356-KT

Judge Thompson,

I am writing this letter on behalf of Davenport Advisors Stock Fund, a current equity investor in Meruela Maddux Properties (MMPI). I have received and reviewed the Filed Second Amended Plan for MMPI and cannot figure out how, pursuant to the plan, the private equity placement will be conducted. Per paragraph F (a) of the Filed Second Amendment Disclosure Statement (docket No 1335), the existing stockholder will be replaced by a private equity placement. The placement will be offered to "Eligible Investors" only. Under the Definition of Terms of the Filed Second Amended Plan – docket no 1333, an Eligible Investor is an accredited investor under the referenced Securities Act but also must be selected by MMPI. As an accredited investor and a current stockholder, it is the vagueness of the second part of the defining sentence that concerns me. It's entirely up to the discretion of MMPI to select all or none of the current stockholders. Current investors are entitled to know if we will or won't be selected by MMPI to partake in the private equity placement. At the very least the definition of "Eligible Investor" needs to be redefined to specifically address the criteria for MMPI's selection process.

I am additionally concerned about the fact that I have sent two unanswered emails (the history of the emails are attached for reference) to Enid M. Colson of Danning, Gill, Diamond & Kollitz, LLP, attorneys for MMPI, asking exactly the same question. I can only assume that the attorneys are intentionally stonewalling me in an attempt to keep the current investors in as unclear a position as possible.

We have spent significant time analyzing the post bankruptcy position of MMPI and have determined that there would be significant value in investing in the private equity placement. My fear is that Richard Meruelo and John Maddux, along with a select group of insiders will profit considerably through this private equity placement on the backs of the current stockholders who's capital positions will be completely eliminated and who were never invited to partake in the private equity placement.

I trust that your goal is to be as fair and equitable as possible to all stakeholders.

Maybe we are missing something in the written Plan or are simply misunderstanding the Plan. Please advise.

Thank you for your time and consideration,

Drew Bocook
Davenport Advisors Stock Fund
4281 Katella Ave., Suite 129
Los Alamitos, CA 90720
(310) 923-5685
dbocook@davenportpartners.com

Thursday, May 13, 2010 2:28 PM

Subject: Re: MMPI 2nd Amend. Disclosure Statement

Date: Friday, May 7, 2010 7:39 AM

From: Drew Bocook <dbocook@davenportpartners.com>

To: "Enid M. Colson" <emc@dgdk.com>

Cc: John Davenport <jdavenport@davenportpartners.com>, "John N. Tedford, IV" <JTedford@dgdk.com>, "Julia W. Brand" <jwb@dgdk.com>

And how is the selection process for the private placement conducted? Specifically, how do we know if we will be offered the opportunity to take part in the placement?

Thanks,

Drew Bocook

*last email sent may 7.
Never received response.*

—
Drew Bocook | Building Manager

CA License #01836301

DAVENPORT PARTNERS

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On 5/6/10 6:50 PM, "Enid M. Colson" <emc@dgdk.com> wrote:

Yes, confirmation of the Second Amended Plan will result in the cancellation of all existing common stock of MMPI on the effective date of the Plan.

From: Drew Bocook [mailto:dbocook@davenportpartners.com]

Sent: Thursday, May 06, 2010 5:38 PM

To: Enid M. Colson

Cc: John Davenport

Subject: Re: MMPI 2nd Amend. Disclosure Statement

Thanks Enid for forwarding the requested information regarding the restructuring plan for MMPI.

As a current stockholder, I have a question regarding the status of existing equity positions.

Per Paragraph H (a) of the Filed Second Amendment Disclosure Statement – docket no 1335, all existing common stock will be cancelled in the event the proposed plan is accepted. Is this correct?

H. Certificate of Incorporation and Bylaws; Cancellation Of MMPI Securities, LTIP Units and Related Agreements

a. Cancellation Of MMPL Securities, LTIP Units and Related Agreements

At the Effective Date, (i) the MMPI Existing Common Stock and the LTIP Units; all warrants, options or other rights for the purchase or other acquisition from any Debtor of any MMPI Existing Common Stock or LTIP Units; all securities convertible into or redeemable or exchangeable for any MMPI Existing Common Stock or LTIP Units; and all warrants, rights or options for the purchase or other acquisition from any Debtor of any MMPI Existing Common Stock or LTIP Units or any such warrants, options, other rights or securities, and any interest or participation in any of the foregoing and any other ownership or profit interest or participation in MMPI or MMPLP (to the extent not held directly or indirectly by MMPI) will be cancelled and extinguished,

Per Paragraph F (a), the existing common stockholder will be replace by a private equity placement. The placement will be offered to “Eligible Investors” only. As a current common stockholder, how do we know if we will be offered the opportunity to take part in the private equity placement?

F. PRIVATE PLACEMENT 17.

a. New Equity 18.

To provide funding for the Plan, MMPI will sell in a private placement transaction 500,000 shares of MMPI common stock to the Initial Investors and Eligible Investors selected by MMPI for the purpose of raising capital in the amount of \$10,000,000 ("New Equity"). MMPI has received confirmation that the Initial Investors will purchase at least 250,001 shares for an aggregate amount of at least \$5,000,020. The remaining shares not purchased by the Initial Investors will be purchased by Eligible Investors. In the event MMPI does not sell the remaining shares to Eligible Investors, other than the Initial Investors, then such shares will be purchased by the Initial Investors. The foregoing private placement transaction is referred to in this Plan as the "Private Placement."

Under the Definition of Terms of the Filed Second Amended Plan – docket no 1333, an Eligible investor is an accredited investor under the referenced Securities Act but also must be selected by MMPI. We are an accredited investor under the referenced Securities Act and a current stockholder. Do we have to be selected by MMPI? What is the basis for selection, is is arbitrary?

Eligible Investors means one or more accredited investors as defined in Rule 501 (a) of Regulation D, as amended, under the Securities Act selected by MMPI.

Your help with the abovementioned questions would be greatly appreciated.

Thanks,

Drew Bocoook

Drew Bocoook

CA License #01836301

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On 5/5/10 4:59 PM, "Enid M. Colson" <emc@dgdk.com> wrote:

Attached is the Second Amended Disclosure Statement.

Enid M. Colson

Danning, Gill, Diamond & Kollitz, LLP

2029 Century Park East, Third Floor

Los Angeles CA 90067

(310) 277-0077 tel | (310) 277-5735 fax

emc@dgdk.com | www.dgdk.com <<http://www.dgdk.com/>>

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From: Drew Bocook
[mailto:dbocook@davenportpartners.com]
Sent: Wednesday, May 05, 2010 4:37 PM
To: Enid M. Colson
Subject: MMPI 2nd Amend. Disclosure
Statement

Enid,
Would you send me the Second Amended
Disclosure Statement and Second Amended Plan
for Meruelo Maddux Properties?

You can email it to
dbocook@davenportpartners.com or mail it to:

Davenport Partners
4281 Katella Ave.
Suite 129
Los Alamitos, CA 90720

Thanks,

Drew

Drew Bocook | Building Manager
CA License #01836301
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