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# FMLP SC+13D 8/19/2008

## Section 1: SC 13D (SCHEDULE 13D)

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 13D**

(Rule 13d-101)

**Information to be Included in Statements Filed Pursuant to Rule 13d-1(a) and  
Amendments Thereto Filed Pursuant to Rule 13d-2(a)**

**Under the Securities Exchange Act of 1934**

**FELDMAN MALL PROPERTIES, INC.**

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(Name of Issuer)

**COMMON STOCK**

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(Title of Class of Securities)

**314308107**

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(CUSIP Number)

**Chip Patterson  
Senior Vice President and General Counsel  
MacKenzie Patterson Fuller, LP  
1640 School Street  
Moraga, CA 94556  
(925) 631-9100**

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(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

**August 19, 2008**

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(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 314308107

1.	Names of Reporting Persons/I.R.S. Identification Nos. of Above Persons (Entities Only)  MacKenzie Patterson Fuller, LP	
2.	Check the Appropriate Box if a Member of a Group (See Instructions)	
	(a) <input type="checkbox"/>	
	(b) <input type="checkbox"/>	
3.	SEC Use Only	
4.	Source of Funds (See Instructions) <b>WC</b>	
5.	Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) <input type="checkbox"/>	
6.	Citizenship or Place of Organization <b>California</b> Address of Principal Office: <b>1640 School Street, Moraga, CA 94556</b>	
Number of Shares Beneficially Owned by Each Reporting Person With	7.	Sole Voting Power <b>1,180,541</b>
	8.	Shared Voting Power 0
	9.	Sole Dispositive Power <b>1,180,541</b>
	10.	Shared Dispositive Power 0
11.	Aggregate Amount Beneficially Owned by Each Reporting Person <b>1,180,541<sup>(1)</sup></b>	
12.	Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) <input type="checkbox"/>	
13.	Percent of Class Represented by Amount in Row (11) <b>9.1%<sup>(2)</sup></b>	
14.	Type of Reporting Person (See Instructions) <b>PN</b>	

(1) The number of shares reported as beneficially owned is as of August 19, 2008. The shares reported consists of shares owned by: MacKenzie Patterson Special Fund 5, LLC, MP Income Fund 12, LLC, MP Value Fund 6, LLC, MPF DeWaay Fund 5, LLC, MPF DeWaay Fund 6, LLC, MPF Flagship Fund 11, LLC, MPF Flagship Fund 12, LLC, MPF Income Fund 23, LLC, MPF Senior Note Program I, LP, MPF Senior Note Program II, LP, MPF Special Fund 8, LLC, MPF Special Fund 9, LLC, Real Estate Securities 1983, LP, and SCM Acquisition Fund, LLC, for all of which MacKenzie Patterson Fuller, LP (or its affiliates) is the manager or general partner.

(2) The percentage is calculated based on a total of 13,001,537 of the Issuer's shares of common stock, par value \$.01 per share, outstanding as of May 8, 2008, as disclosed in the Issuer's Form 10-Q filed with the Securities and Exchange Commission on May 27, 2008.

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### Item 1 Security and Issuer

This statement relates to the common stock, \$0.01 par value (the "Shares"), of Feldman Mall Properties, Inc. (the "Company"). The principal executive offices of the Company are located at 1010 Northern Blvd., Suite 314, Great Neck, NY 11021.

### Item 2 Identity and Background

This statement is being filed by MacKenzie Patterson Fuller, LP, a California Limited Partnership ("MPF"). MPF's principal business address is 1640 School Street, Moraga, California, 94556.

### Item 3 Source and Amount of Funds or Other Consideration

The total amount of funds required by MPF to acquire the Shares was \$2,307,345.52. Each of the MPF affiliates used its own assets to

purchase such Shares, which may at any given time include funds borrowed in the ordinary course in their margin accounts.

#### **Item 4 Purpose of Transaction**

MPF acquired the Shares for investment purposes, but has now changed its intent. MPF has sent a letter of intent to the Company's board of directors offering to purchase up to 100% of the Shares it does not already own pursuant to a tender offer to be launched after a 60-day due diligence period, if the Company accepts MPF's proposal. MPF has made this proposal because it feels that the Shares are trading at a price that is significantly below their net asset value, and it is concerned that opportunistic buyers may attempt to acquire the Company at a price much lower than MPF's price.

#### **Item 5 Interest in Securities of the Issuer**

(a) MPF owns **1,180,541** Shares, which represent 9.1% of the issued and outstanding Shares.

(b) MPF possesses the sole power to vote and dispose of the Shares described in Item 5(a) herein.

(c) During the past sixty days, beginning June 18, 2008, through August 18, 2008, MPF has effected the following transactions in the Company's Shares, each via the NYSE NYSE and the OTC Bulletin Board (the latter from and after July 7, 2008):

<b>Date of Transaction</b>	<b>Shares</b>	<b>Price Per Share</b>
6/20/2008	15,300	\$1.35
6/20/2008	4,200	\$1.35
6/20/2008	7,525	\$1.40
6/23/2008	17,975	\$1.38
6/23/2008	9,401	\$1.40
6/24/2008	26,597	\$1.40
6/24/2008	45,000	\$1.40
6/24/2008	22,599	\$1.40
6/27/2008	18,403	\$1.45
7/3/2008	13,700	\$0.72
7/3/2008	700	\$0.75
7/3/2008	21,730	\$0.85
7/3/2008	1,002	\$0.85
7/8/2008	75,000	\$0.77
7/8/2008	100,000	\$0.77
7/11/2008	5,000	\$0.70
7/14/2008	5,000	\$0.67
7/15/2008	4,000	\$0.63
7/15/2008	5,000	\$0.64
7/18/2008	5,000	\$0.54
7/29/2008	57,694	\$0.31
7/30/2008	70,600	\$0.33

7/31/2008	33,706	\$0.33
7/31/2008	65,294	\$0.33
8/1/2008	59,000	\$0.33
8/1/2008	34,706	\$0.33
8/4/2008	55,000	\$0.33
8/5/2008	55,000	\$0.33
8/6/2008	16,284	\$0.33
8/6/2008	56,000	\$0.33
8/12/2008	27,000	\$0.45
8/19/2008	1,400	\$0.50
8/19/2008	1,800	\$0.50

(d) No person is known to have the right to receive or the powers to direct the receipt of dividends from, or the proceeds from the sale of the Shares.

(e) Not applicable.

**Item 6 Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer**

There are no agreements or understandings, other than those addressed herein, between MPF and the Company or between MPF and any other person.

**Item 7 Exhibits**

1. Letter of Intent dated August 19, 2008 to the Company.

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**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, and complete and correct.

Dated: August 19, 2008

Mackenzie Patterson Fuller, LP

Name: /s/ Chip Patterson  
 Title: Chip Patterson  
 Sr. Vice President and general counsel

[\(Back To Top\)](#)

**Section 2: EX-99 (LETTER OF INTENT DATED AUGUST 19, 2008 TO THE COMPANY)**

<?xml:namespace prefix = o ns = "urn:schemas-microsoft-com:office:office" />

<?xml:namespace prefix = st1 ns = "urn:schemas-microsoft-com:office:smarts" />August 19, 2008

Mr. Thomas E. Wirth

President

Feldman Mall Properties, Inc.

1010 Northern Boulevard, Suite 314

Great Neck, NY 11021

Dear Mr. Wirth:

This Letter of Intent (“LOI”) will describe the terms on which MacKenzie Patterson Fuller, LP and its affiliates (collectively “MPF”, or the “Buyer”) proposes to offer to acquire up to 100% but no less than 51% (including the approximately 9.1% already owned by MPF) of the outstanding common stock of Feldman Mall Properties, Inc. (“Feldman”). No portion of this LOI shall be binding except for the sections entitled “Exclusivity,” “Expenses of the Parties,” “Earnest Money Deposit,” and “Conflicting Obligations,” which shall survive any termination of this LOI.

**ACQUISITION TRANSACTION:** MPF shall offer to purchase from Feldman’s existing common stock holders up to 100%, but no less than that percentage of the common stock outstanding which, when added to the shares already owned by MPF, would result in the ownership by MPF of 51% of the outstanding common shares, at a price of \$1.50 per share.

**EARNEST MONEY DEPOSIT:** Within 48 hours of the execution of this LOI, MPF will wire a \$100,000 Earnest Money Deposit to an escrow account opened with a mutually acceptable title company for purposes of this transaction. The Earnest Money Deposit will be non-refundable to MPF, unless any of the items of the section entitled “Conditions to Close” have not been met within 60 days of the execution of this LOI, in which event the Earnest Money Deposit will be immediately refunded to MPF.

**DUE DILIGENCE:** MPF agrees to complete its due diligence on Feldman within 60 days following execution of this LOI (the “Due Diligence Period”).

**TENDER OFFER:** The Acquisition Transaction shall take the form of a tender offer extended to all of Feldman’s common stock holders. Commencement of the tender offer is expected to occur upon the completion of the items in the section entitled “Conditions to Close,” but in any event no later than 90 days from the execution of this LOI.

**ACCESS:** Feldman will provide MPF and its designated representatives reasonable access

during normal business hours, after prior written notice, to the books, records and property of Feldman and its properties, to facilitate a complete investigation, inspection and analysis of Feldman and its properties. Feldman will also make available during normal business hours, after prior written notice, its attorneys, accountants, and other outside consultants for the purposes of discussion with MPF and its representatives of the proposed transaction.

#### CONDITIONS TO CLOSE:

The obligations of each party to consummate the proposed Acquisition Transaction will be subject to the satisfaction of certain conditions. These conditions include:

- (i) Approval of this transaction by all of Feldman's directors, including waiving any applicable ownership restrictions, and approval by any other persons whose consent is required including any lenders, principal shareholders, and any applicable governmental agency.
- (ii) The parties shall have entered into a Definitive Agreement and related ancillary documents in form and substance satisfactory to each party in its sole discretion.
- (iii) No material litigation or governmental action shall be pending or threatened with respect to the transactions contemplated hereby.
- (iv) All representations and warranties by Feldman to MPF in the Definitive Agreement and ancillary documents shall be accurate as of the date of Closing and shall survive Closing and the tender offer period as set forth in the Definitive Agreement.
- (v) Each party shall have performed and complied in all material respects with all agreements and conditions to be performed or complied with by them prior to the Closing.
- (vi) The results of the investigations and due diligence by MPF of Feldman and its properties shall be reasonably satisfactory to MPF in its sole discretion.
- (vii) MPF shall have informed Feldman in writing prior to the end of the Due Diligence Period that it intends to proceed with this transaction.
- (vii) Feldman shall have certified at Closing that no material adverse change shall have occurred at Feldman or its properties, including the operation or condition thereof or liabilities relating thereto, from the date of this LOI to the closing date.

#### CONDUCT OF BUSINESS:

Between the date of this LOI and the expiration of the tender offer, Feldman will conduct and operate its properties in the usual and ordinary course and in substantially the manner as heretofore conducted by Feldman, and Feldman shall not take any action which shall have a material adverse effect on the organization, financial structure, practices or operations of Feldman or its properties. Between the date of this LOI and the expiration of the tender offer,

Feldman shall not issue any additional shares of common stock, warrants, options, promissory notes, or any other debt or equity instruments.

**EXCLUSIVITY:**

In consideration of MPF entering into this Letter of Intent and undertaking to investigate the businesses Feldman and to incur expenses in connection therewith, provided MPF is not in breach of this Letter of Intent, Feldman agrees that, until 5:00 p.m. Pacific Standard Time on the day that is 90 days after the execution of this Letter of Intent, neither Feldman nor any of its respective affiliates, officers, directors, management employees, agents, or advisors shall, directly or indirectly, solicit or entertain offers from, negotiate with or in any manner encourage, discuss, accept, or consider any proposal of any other person or entity relating to Feldman or its assets, in whole or in part, through purchase, merger, consolidation, share exchange or otherwise. In addition, Feldman agrees immediately to cease and cause to be terminated any previously undertaken or ongoing activities, discussions or negotiations with any other person or entity with respect to any transaction of the type described in the preceding sentence. Furthermore, if Feldman or any of its respective shareholders, affiliates, officers, directors, management employees, agents, or advisors receives any communication regarding any offer or proposal of the type described in the first sentence of this Section during the 90 day period mentioned above, then Feldman shall immediately notify MPF of the receipt of such proposal and shall promptly provide to MPF a copy of such proposal (or if such proposal is not in writing, a written summary of its terms).

**BROKERS:**

Each party hereto shall indemnify and hold harmless the other party from and against all claims or demands for commissions or other compensation by any broker, finder or similar agent claiming to have been employed or engaged by or on behalf of such party to this Letter of Intent.

**CONFLICTING OBLIGATIONS:**

Feldman represents and warrants to MPF that Feldman is not a party to any letter of intent, agreement or understanding (except this Letter of Intent) relating to any purchase or other transaction involving Feldman or any of its material assets, or other business combination or change in control of Feldman, which otherwise could prevent or restrict Feldman from entering into this Letter of Intent and performing his, her or its obligations hereunder.

**EXPENSES OF THE PARTIES:**

Except as otherwise expressly provided elsewhere in this Letter of Intent and regardless of whether or not the transaction contemplated hereunder is consummated, (i) MPF shall be solely responsible for, and shall bear, its own costs and expenses, including, without limitation, expenses and fees of legal counsel, accountants, advisors and all others, incurred at any time in connection with the inspection or investigation of Feldman and its properties, the negotiation of the terms and conditions contained or to be contained in this Letter of Intent and the Definitive Agreement and related documents, and the consummation of the transactions contemplated hereby, and (ii) Feldman shall be solely responsible for, and shall bear, any such costs and expenses incurred by Feldman.

**EFFECT:**

Other than the provisions of the sections entitled "Earnest Money Deposit," "Exclusivity," "Conflicting Obligations," and "Expenses of the Parties" (which are and shall be a binding and enforceable agreement of Feldman and MPF), this Letter of Intent does not constitute a binding agreement by the parties

hereto; instead, it expresses the intention of the parties to proceed expeditiously to negotiate, prepare, reach agreement on and execute a Definitive Agreement and related documents as contemplated by this Letter of Intent. Except for the section entitled Expenses of the Parties, which shall survive any termination hereof, this Letter of Intent shall terminate and be of no further force or effect if the execution and delivery of the Definitive Agreement and commencement of the tender offer has not occurred on or before the date which is 90 days from the date of execution of this Letter of Intent.

GOVERNING LAW:

This Letter of Intent shall be governed by and construed and enforced in accordance with the laws of the State of California, without regard to conflicts of laws principles. Any action brought under this Letter of Intent may be brought in Contra Costa County, California.

Please indicate Feldman's agreement to the terms hereof by having this Letter of Intent signed in the spaces provided below and returning a copy to the undersigned (Fax No.: 925 631-9119) no later than 5:00 p.m., Pacific Standard Time, on August 29, 2008 (at which time this Letter of Intent, if not so signed and returned, will expire). This Letter of Intent may be signed in any number of counterparts, all of which together shall constitute a single Letter of Intent. Signatures of the parties transmitted by facsimile will be valid and binding for all purposes. Please do not hesitate to call with any questions regarding this Letter of Intent. I can be reached at (925) 235-1003.

Very truly yours,

MacKenzie Patterson Fuller, LP.  
By: Robert E. Dixon, Chief Investment Officer

ACCEPTED AND AGREED TO:

Feldman Mall Properties, Inc.

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By: Thomas E. Wirth, President

[\(Back To Top\)](#)