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9  
10 IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA  
11  
12 IN AND FOR THE COUNTY OF MARICOPA

13 STATE OF ARIZONA ex rel. LAUREN  
14 KINGRY, Superintendent of the Arizona  
15 Department of Financial Institutions,

16 Plaintiff,

17 v.

18 LANDMARC CAPITAL &  
19 INVESTMENT COMPANY,

20 Defendant.

Cause No. CV2009-020595

PETITION NO. 86

PETITION TO CONFIRM SALE OF  
REAL PROPERTY LOCATED AT 9224  
EAST HIGHWAY 92, HEREFORD,  
ARIZONA

(Assigned to the Honorable Patricia Starr)

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Lauren W. Kingry, as the court appointed Receiver, respectfully petitions the Court as follows:

1. On June 24, 2009, this Court entered its *Order Appointing Receiver and Order to Show Cause*, which appointed the Superintendent of the Arizona Department of Financial Institutions as Receiver of Landmarc Capital & Investment Company ("Landmarc"). On July 10, 2009, this Court entered its *Order Appointing Permanent Receiver and Injunction*. On

1 February 27, 2010, the Court entered its *Order placing Hayden Investments, LLC, Desert*  
2 *Trails Holdings, LLC and Arizona Valuation Company, LLC in Receivership*. On May 12,  
3 2010, the Court entered its *Amended Order Appointing Permanent Receiver and Injunction*  
4 (collectively “Receivership Order”). The Receivership Order appointed Thomas Giallanza as  
5 Deputy Receiver and authorized the Receiver to engage and employ Special Deputy  
6 Receivers to carry on the day to day business of Landmarc.

7 2. In accordance with the Receivership Order, the Receiver located and took  
8 possession of certain real property, located at 9224 East Highway 92, Hereford, Arizona  
9 (“Property”). This Property is legally described in Exhibit “1” attached hereto and was  
10 acquired in October 2008 by Landmarc Capital & Investment Company (“Landmarc”)  
11 through foreclosure of Loan No. LC050509. The Property is currently titled in the name of  
12 Arizona Valuations, LLC.

13 3. Following unsuccessful efforts to market and sell the Property, on August 2,  
14 2011, this Court entered *Order Re: Petition No. 46*, which approved a Settlement Agreement  
15 between the Receiver and Melvin Harter Ministries, Inc. (“MHMI”) and Melvin E. Harter  
16 (“Harter”). Under the Settlement Agreement, MHMI was given the opportunity to acquire  
17 the Property by paying \$450,000 on or before October 31, 2011. MHMI did not exercise its  
18 right to acquire the Property.

19 4. On December 20, 2011, this Court entered *Order Re: Petition No. 58*, which  
20 approved the Purchase Agreement for the sale of the Property to Snow Music Corp. for  
21 \$600,000. Snow Music Corp., however, did not close on the purchase of the Property.

1           5.       The Receiver renewed his efforts to market and sell the Property. On April 15,  
2 2014, this Court entered *Order Re: Petition No. 81*, which approved a *Lease with Option to*  
3 *Purchase Agreement* between the Receiver and The Youth Pad, Inc., an Oklahoma non-profit  
4 corporation (“Youth Pad”). The lease for the property was for twenty-four months (24)  
5 beginning February 1, 2014 and expiring on the 29<sup>th</sup> day of February, 2016 subject to  
6 Lessee’s option to purchase the Property. This agreement provided for the payment of  
7 amounts designated as rent and a final purchase price of \$250,000.

8           6.       Youth Pad’s business plan required it to obtain tax exempt status for the  
9 Property in order to substantially reduce the real estate taxes on the Property, however, when  
10 it applied to the County for such status it learned that tax exempt status would not be granted  
11 unless Youth Pad held fee title. Accordingly the Receiver and Youth Pad have entered into a  
12 new agreement that provides for the transfer of title to the Property to Youth Pad with the  
13 Receiver holding a deed of trust for the unpaid purchase price. Attached hereto as Exhibit  
14 “2” is a copy of the Agreement for Sale dated July 30, 2014, in which the Receiver sold the  
15 Property to Youth Pad for \$375,000 plus certain specified repairs. Youth Pad received a  
16 credit of \$5,000 for the amounts previously paid under the lease agreement and gave the  
17 Receiver a promissory note for the balance, which was secured by a deed of trust on the  
18 Property.

19           7.       Because the real estate taxes on the Property of more than \$40,000 per year are  
20 destroying what value remains in the Property it is essential to protect the interests of the  
21 beneficial owners that the Property be sold under the terms set forth herein.



**EXHIBIT "ONE"**

**PARCEL I: (Tax Parcel No. 104-68-013B)**

A portion of the Northwest Quarter of Section 6, Township 24 South, Range 22 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 6;  
Thence North  $89^{\circ} 52' 11''$  West, a distance of 709.09 feet;  
Thence South  $00^{\circ} 37' 13''$  East, a distance of 378.88 feet;  
Thence North  $89^{\circ} 22' 47''$  East, a distance of 558.22 feet;  
Thence South  $00^{\circ} 02' 54''$  East, a distance of 191.42 feet;  
thence North  $89^{\circ} 52' 26''$  East, a distance of 509.87 feet to the POINT OF BEGINNING;  
Thence North  $89^{\circ} 52' 26''$  East, a distance of 530.00 feet;  
Thence South  $00^{\circ} 07' 26''$  East, a distance of 230.00 feet;  
Thence South  $89^{\circ} 52' 26''$  West, a distance of 530.00 feet;  
thence North  $00^{\circ} 07' 26''$  West, a distance of 230.00 feet to the POINT OF BEGINNING.

**PARCEL II: (Tax parcel 104-68-013D)**

A portion of the Northwest Quarter of Section 6, Township 24 South, Range 22 East and a portion of the Northeast Quarter of Section 1, Township 24 South, Range 21 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, more particularly described as follows:

COMMENCING at the Northeast corner of said Section 1;  
Thence North  $89^{\circ} 52' 11''$  West, a distance of 709.09 feet;  
Thence South  $00^{\circ} 37' 13''$  East, a distance of 378.88 feet to the POINT OF BEGINNING;  
Thence North  $89^{\circ} 22' 47''$  East, a distance of 558.22 feet;  
Thence South  $00^{\circ} 02' 54''$  East, a distance of 191.42 feet;  
Thence North  $89^{\circ} 52' 26''$  East, a distance of 509.87 feet;  
Thence South  $00^{\circ} 07' 26''$  East, a distance of 230.00 feet;  
Thence North  $89^{\circ} 52' 26''$  East, a distance of 50.00 feet;  
Thence South  $00^{\circ} 07' 34''$  East, a distance of 71.64 feet;  
Thence South  $44^{\circ} 55' 58''$  West, a distance of 215.20 feet;  
Thence North  $90^{\circ} 00' 00''$  West, a distance of 261.28 feet;  
Thence North  $00^{\circ} 07' 13''$  West, a distance of 70.81 feet;  
Thence South  $89^{\circ} 51' 56''$  West, a distance of 699.29 feet;  
Thence North  $00^{\circ} 37' 13''$  West, a distance of 568.99 feet to the POINT OF BEGINNING.

**PARCEL III: (Tax Parcel No. 104-68-013F)**

A portion of the Northwest Quarter of Section 6, Township 24 South, Range 22 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 6;  
Thence North 89° 52' 11" West, a distance of 709.09 feet;  
Thence South 00° 37' 13" East, a distance of 947.87 feet;  
Thence North 89° 51' 56" East, a distance of 699.29 feet;  
Thence South 00° 07' 13" East, a distance of 70.81 feet to the POINT OF BEGINNING;  
Thence South 90° 00' 00" East, a distance of 261.28 feet;  
Thence North 44° 55' 58" East, a distance of 215.20 feet;  
Thence North 00° 07' 34" West, a distance of 71.64 feet;  
Thence North 89° 52' 26" East, a distance of 270.00 feet;  
Thence South 00° 07' 34" East, a distance of 170.00 feet;  
Thence South 69° 05' 46" West, a distance of 302.25 feet;  
Thence South 44° 37' 08" West, a distance of 384.62 feet;  
Thence South 89° 52' 45" West, a distance of 130.29 feet;  
Thence North 00° 07' 13" West, a distance of 327.31 feet to the POINT OF BEGINNING.

PARCEL IV: (Tax Parcel No. 104-68-013H)

A portion of the Northwest Quarter of Section 6, Township 24 South, Range 22 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 6;  
Thence North 89° 52' 11" West, a distance of 709.09 feet;  
Thence South 00° 37' 13" East, a distance of 378.88 feet;  
Thence North 89° 22' 47" East, a distance of 558.22 feet;  
Thence South 00° 02' 54" East, a distance of 191.42 feet;  
Thence North 89° 52' 26" East, a distance of 1,039.87 feet;  
Thence South 00° 07' 26" East, a distance of 230.00 feet to the POINT OF BEGINNING;  
Thence South 00° 07' 26" East, a distance of 1,188.83 feet;  
Thence South 89° 53' 41" West, a distance of 405.27 feet;  
Thence North 01° 55' 51" East, 958.25 feet;  
Thence North 69° 05' 46" East, a distance of 172.11 feet;  
Thence North 00° 07' 34" West, a distance of 170.00 feet;  
Thence North 89° 52' 26" East, a distance of 210.00 feet to the POINT OF BEGINNING.

PARCEL V: (Tax Parcel No. 104-68-013G)

A portion of the Northwest Quarter of Section 6, Township 24 South, Range 22 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 6;  
Thence North 89° 52' 11" West, a distance of 709.09 feet;  
Thence South 00° 37' 13" East, a distance of 1,345.84 feet;  
Thence North 89° 52' 45" East, a distance of 696.82 feet to the POINT OF BEGINNING;  
Thence North 89° 52' 45" East, a distance of 130.29 feet;  
Thence North 44° 37' 08" East, a distance of 384.62 feet;  
Thence North 69° 05' 46" East, a distance of 130.14 feet;  
Thence South 01° 55' 51" West, a distance of 958.25 feet;  
Thence South 89° 53' 42" West, a distance of 488.39 feet;

## AGREEMENT FOR SALE

This Agreement for Sale ("Agreement"), is entered into as of the 30 day of July, 2014, by and between the court appointed Receiver of Landmarc Capital & Investment Company ("Seller"), and The Youth Pad, Inc., an Oklahoma corporation ("Buyer").

### Recitals

Whereas on or about May 9, 2005, Landmarc Capital & Investment Company ("Landmarc") loaned \$900,000.00 to Melvin Harter Ministries, Inc. ("MHMI"), an Ohio corporation ("Loan No. LC050509"), which loan was evidenced by a Promissory Note in the principal amount of \$900,000.00 and was secured by a deed of trust on certain real property and improvements located at 9224 East Highway 92, Hereford, Arizona, and legally described as set forth in Exhibit "A" ("Property");

Whereas Landmarc subsequently sold participation interests in Loan No. LC050509 to the David L. Wolfswinkel Trust, Desert Trails Insurance Co., the Penny Wolfswinkel Jenkins Trust, Edward J. Humphreys, and the Harvey B. Friedman & Francine A. Friedman Family Trust (collectively referred to hereafter as the "Beneficial Owners");

Whereas Landmarc foreclosed Loan No. LC050509 and the Trustee issued a *Trustee's Deed Upon Sale* vesting title to the Property in Landmarc, which was recorded with the Cochise County Recorder on October 14, 2008 as Document No. 08-27283;

Whereas on June 24, 2009, the Arizona Superior Court for Maricopa County entered its *Order Appointing Receiver*, which appointed the Superintendent of the Arizona Department of Financial Institutions as Receiver of Landmarc in Cause No. CV2009-020595 ("Receivership Court"), and on February 27, 2010 entered its *Order placing Hayden Investments, LLC Desert Trails Holdings, LLC and Arizona Valuation Company, LLC in Receivership and Order Placing Hayden Insurance, LTD and Desert Trails Insurance Co In Receivership* (Landmarc, Hayden Investments, LLC, Desert Trails Holdings, LLC, Arizona Valuation Company, LLC, Hayden Insurance, Ltd., and Desert Trails Insurance Co. are referred to hereafter collectively as the "Receivership Entities");

Whereas on January 27, 2014, the Seller and Buyer entered into a *Lease with Option to Purchase* ("Lease") relating to Property, and the Buyer has now been advised by the Cochise County Assessor that the Property cannot qualify for tax exempt status unless the Buyer is the fee titled owner of the Property and such tax exempt status is essential to the Buyer's planned use of the Property; and

Whereas, the County Assessor for Cochise County, Arizona ("Assessor") advised the Buyer that Buyer must be vested with title to the Property before August 1, 2014 in order to qualify for real estate tax exemption status for 2014,

### Terms

In consideration of the terms and conditions of this Agreement for Sale, Seller hereby sells the Property to Buyer and Buyer hereby buys the Property from Seller under the terms and conditions set forth below.

**1. Purchase Price:** The Purchase Price which the Buyer agrees to pay for the Property is **\$375,000.00**, plus repairs to the Property as provided in Paragraph 6. The Purchase Price shall not be adjusted by any overage or shortage in the area of the Property. The Purchase Price shall be paid as follows:

- a. Buyer shall receive credit for the **\$5,000.00** in rent previously paid to the Seller on or about February 27, 2014 pursuant to the Lease;
- b. Buyer shall pay an additional **\$30,000.00** in cash paid on or before October 31, 2014;
- c. A Promissory Note shall be executed by Buyer in the amount of **\$370,000.00** secured by (i) a Deed of Trust and Assignment of Rents on the Property and payable as follows: the sum of **\$30,000.00** on or before October 31, 2014, the sum of **\$50,000.00** on or before July 1, 2015, and the balance of **\$290,000.00** shall be paid on or before December 15, 2015; and (ii) the Guarantee of Luis and Sylvia Rose Bettencourt in the sum of **\$30,000** shall remain with the Receiver only until payment of the **\$30,000** on or before October 31, 2014 has occurred; and
- d. Repairs to the Property of not less than **\$50,000.00** as provided in Paragraph 6.

**2. Deed.** Seller shall convey title to the Property to Buyer by Special Warranty Deed (the "Deed"), subject to taxes and assessments delinquent and not delinquent, reservations in patents, all easements, rights-of-way, covenants, conditions, restrictions, declarations, all matters that an accurate survey or a physical inspection of the Property would disclose and all matters to which Buyer has agreed.

**3. Deed of Reconveyance.** Buyer agrees to execute and deliver a Deed of Reconveyance which shall be held in Escrow by the Receiver pending the Order of the Receivership Court following a Petition seeking authorization to consummate this Contract. In the event that the Court Orders that the title be vested once again in the Receiver, then Buyer agrees that the Deed of Reconveyance shall be recorded by the Deputy Receiver to meet the Court's requirement.

**4. Disbursements.** Upon the Close of Escrow, the full amount of the Purchase Price, less any closing costs which the Seller has expressly agreed to pay, shall be disbursed to Seller.

**5. Property Sold "As Is".** The Property is being sold "AS IS" and the Seller is not providing any warranties. Buyer expressly acknowledges that there may be present on the Property asbestos in friable form, aluminum wiring, mold, or other conditions that might affect the Buyers decision to purchase the Property. Buyer further acknowledges that Buyer has not relied on any warranties, promises, projections, calculations, understandings or representations, express or implied, of Seller or of any agent or representative of Seller, relating to the Property, and, Buyer is acquiring the Property in its present condition and state of repair, "AS IS", with all defects, latent or apparent. Buyer further acknowledges that any information of any type which Buyer has received or may receive from Seller or Seller's agents is furnished on the express condition that Buyer shall make an independent verification of the accuracy (including without limitation calculations) of such information, all such information being furnished without any



warranty or liability whatsoever. The Seller has acquired possession of the Property pursuant to Court order and has not occupied the Property and therefore Seller cannot and will not provide any seller disclosure statements.

**6. Repairs to the Property.** As part of the Purchase Price the Buyer agrees to make all necessary repairs to the Property in an amount not less than \$50,000.00. Said repairs shall be completed on or before July 1, 2015 and shall include but are not limited to new flooring (as needed), interior/exterior painting (as needed), water service, new appliances, landscaping, electrical, plumbing, septic service; and other necessary repairs or replacements as may be needed to augment such listed repairs. It is expressly understood by the Buyer, that should Buyer default under this Agreement, all sums expended by the Buyer for repairs or improvements to the Property shall be forfeited and Buyer shall not be entitled to any reimbursement of lien in the Property resulting from such repairs or improvements.

**7. Receivership Court.** The Buyer understands and acknowledges that the Seller was duly appointed the Receiver of the Property by the Receivership Court; that the Property and this transaction is under the exclusive jurisdiction of the Receivership Court; and that the Buyer has received, read, and understands the orders of the Receivership Court appointing the Receiver. The parties further understand and acknowledge that this Agreement is contingent on the approval of the Receivership Court and that the Receivership Court could decline to approve the Agreement for various reasons, including without limitation that the sale price is not fair or that a sale of the Property is not in the best interests of the estate.

**8. Cancellation.** In the event Seller is unable, within sixty (60) days of the date of this Agreement, to obtain the approval of the Receivership Court, the Buyer or the Seller may elect in writing to cancel this Agreement. The prior rent payment of \$5,000.00 is not refundable to the Buyer under any circumstances. Upon a cancellation in accordance with the provisions of this Paragraph, all funds and documents deposited in Escrow by Seller and Buyer shall be returned to the party depositing the funds or documents, and this Agreement shall terminate.

**9. Inspection.** Buyer has had an opportunity to inspect the Property and hereby accepts the condition of the Property.

**10. Condition of Title and Title Insurance.** The condition of title and issuance of title insurance on the Property shall be governed by this Paragraph:

a. Seller delivered to Buyer a preliminary title report for insurance on the Property ("Title Report"). Buyer had the right to approve or disapprove the condition of title within ten days following receipt of the Title Report, which disapproval must have been itemized in writing and provided to the Seller, the Seller's agent and the Escrow Agent.

b. If the Title Insurer issues a supplemental or amended title report on or before the Close of Escrow ("Amended Title Report") showing additional title exceptions or requirements not caused or to be satisfied by Buyer, Buyer shall have a period of time equal to three business days from the date of receipt of any Amended Title Report within which to give Seller and Escrow Agent specific written disapproval as to any additional exceptions or requirements.

c. If Buyer disapproves of any title exception in the Title Report or disapproves of any new exception to title or requirement as shown in an Amended

Title Report in accordance with this Paragraph, Seller shall have until the Close of Escrow to eliminate the disapproved matter(s) from the Title Report or the Amended Title Report, or obtain title insurance endorsements against such matter(s). Notwithstanding the foregoing, it is understood and agreed that Seller shall have no duty whatsoever to eliminate, or to secure a title endorsement against any matter disapproved by Buyer pursuant to this Paragraph. If Seller does not eliminate the disapproved matters or if Seller does not obtain title insurance endorsements against such matters on or before the Close of Escrow, Seller shall so notify Buyer that it does not intend or has failed to eliminate such disapproved matters, whereupon Buyer's sole and exclusive remedy shall be to either waive Buyer's objection with respect to such disapproved matters (in which event Close of Escrow shall occur and Buyer shall take title to the Property subject to such matters) or to cancel this Agreement by giving written notice of cancellation to Seller and Escrow Agent on or before the Close of Escrow. Upon a cancellation in accordance with the provisions of this Sub-Paragraph, all documents deposited in Escrow by Seller and Buyer shall be returned to the party depositing the document, and this Agreement shall terminate.

d. Since Buyer did not object to any exceptions to title or requirements as disclosed by the Title Report or an Amended Title Report within the applicable time period, such exceptions or requirements are deemed by this Agreement to have been approved by Buyer.

e. At or before the Close of Escrow, Seller shall provide to Buyer, at Seller's cost, a standard coverage owner's policy of Title Insurance (or an unconditional commitment of the Title Insurer to issue such policy) issued by a licensed Title Insurer, in the full amount of the Purchase Price of the Property, effective as of the Close of Escrow, insuring Buyer that fee simple title to the Property is vested in Buyer, subject only to the usual printed exceptions and exclusions contained in such title insurance policies, to the matters shown on the Title Report or any Amended Title Report approved or deemed approved by Buyer as provided in this Paragraph.

f. The policy of Title Insurance required to be provided by Seller shall be a standard coverage owner's policy, and Seller shall only pay the premium for a standard coverage owner's policy. If Buyer elects to obtain extended coverage title insurance, such election shall not be a condition to Buyer's obligations hereunder. Seller and Buyer agree that Buyer shall be responsible for satisfying, at its sole cost and expense, all of Title Insurer's requirements for extended coverage before the Close of Escrow and Buyer shall pay the difference between the premium for such a policy and the premium for a standard coverage owner's policy. Further, Buyer shall be responsible for any endorsements required by Buyer. In no event shall the Close of Escrow be conditional upon or extended because of Buyer obtaining extended coverage or because of the issuance of any endorsements requested by Buyer.

11. **Release and Indemnity.** Seller is hereby released from all responsibility and liability regarding the condition (including, without limitation, the presence of asbestos or environmental hazards or substances) or valuation or utility of the Property. Buyer agrees that Buyer will not attempt to assert any claims of liability against Seller for furnishing such information, nor shall Buyer assert any claims of liability against Seller for the existence of or damages arising out of the existence of asbestos, and Buyer agrees to indemnify and hold Seller

free and harmless for, from and against any and all such claims of liability. Buyer agrees to indemnify Seller and hold Seller harmless for, from and against all claims, damages, costs and expenses (including attorneys' fees) attributable, directly or indirectly, to Buyer's prior possession of the Property or to the breach by Buyer of any obligation hereunder or the inaccuracy of any representation or warranty made by Buyer or in any instrument delivered pursuant hereto or in connection with the transactions contemplated hereby. This indemnity shall survive the Closing.

**12. Termination of Lease.** Upon Closing, the Lease shall be deemed terminated effective as of the date of this Agreement.

**13. Assignment and Nomination.** Buyer may not assign or otherwise transfer Buyer's rights under this Agreement without the prior written consent of Seller, which consent may be withheld in Seller's sole discretion. Any such assignee shall accept in writing the terms and conditions of this Agreement and of any supplements or Escrow Instructions that may have been entered into as of the time of the assignment. In no event shall any assignment extend the Close of Escrow.

**14. No Liability.** Buyer agrees that no receivers, directors, officers, employees or agents of Seller have any personal obligation hereunder, and that such party shall not seek to assert any claim or enforce any rights against such receivers, directors, officers, employees or agents.

**15. Further Documentation.** Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement.

**16. Exclusive Jurisdiction of the Receivership Court.** The Receivership Court shall have exclusive jurisdiction to resolve any dispute arising under this Agreement.

**17. Closing Costs.** Seller agrees to pay all usual and customary fees paid by a seller, including certain costs of title insurance are provided above, not to exceed \$3,000.00 in any event. All other Escrow fees, title fees, inspection fees, and all other closing costs arising out of Buyer's purchase of the Property, shall be paid by Buyer.

**18. Close of Escrow.** The sale shall close upon the direction of the Deputy Receiver. The Deputy Receiver and Buyer agree that in the event of entry of a final order of the Receivership Court disapproving this Agreement, then the Deputy Receiver may direct the recording of a Deed of Reconveyance to the Receiver within ten (10) days following entry of the Court's Order.

**19. Time is of the Essence.** Time is of the essence under this Agreement and each and every provision hereof.

**20. Signed Original.** In order to facilitate the filing of appropriate pleadings with the Receivership Court, the parties agree to execute one or more counterparts of this Agreement and all other contract documents and to provide at least one such original to the Seller.

**21. Attorneys' Fees.** In the event that either party is required to employ an attorney to enforce the terms and conditions of this Agreement or the Promissory Note or Deed of Trust, the prevailing party in any action shall receive from the other party its reasonable attorneys' fee and costs.

**22. Waiver.** The failure of either party to enforce any term hereof shall not be deemed to be a waiver of the right to enforce such term, unless such party agrees in writing to such waiver.

**23. Notices.** Any notice which either party may or is required to give hereunder, shall be given by hand-delivering such notice or, in the alternative, mailing such notice by certified mail, return receipt requested, postage prepaid:

To Buyer as follows:

**THE YOUTH PAD INC.  
Attn.: Luis Bettencourt  
500 Court Street  
Muskogee, OK 74401**

To Seller as follows:

**Arizona Valuation Company, LLC,  
in Receivership – Attn.: Thomas J. Giallanza  
c/o Arizona Department of Financial Institutions  
2910 N. 44<sup>th</sup> Street, Suite 310  
Phoenix, AZ 85018**

**Fax: 602-381-1225**


with a copy to:

**Patrick M. Murphy, Esq.  
Guttilla Murphy Anderson  
5415 E. High St., Suite 200  
Phoenix, AZ 85054**

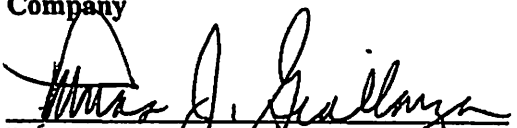
**Fax (480) 304-8301**

or at such other place(s) as may be designated by the parties from time to time. Any such notice shall be deemed to have been made and given when actually received, if such notice is hand-delivered, and forty-eight (48) hours after depositing same in the United States mail, if such notice is mailed.

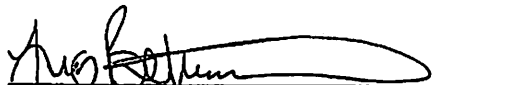
**IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as of the date set forth above.**

\* PROPERTY LIST 104-68-0136 104-68-0137 F  
104-68-013H 104-68-013B  
104-68-016 104-68-012  


**Lauren Kingry, as Receiver of Arizona Valuation Company, LLC and Landmarc Capital and Investment Company**

  
By: Thomas J. Gallanza, Deputy Receiver

**THE YOUTH PAD INC.**  
500 Court Street  
Muskogee, OK 74401

  
By: Luis Bettencourt, Vice President

**THE YOUTH PAD INC.**  
500 Court Street  
Muskogee, OK 74401

  
By: Sylvia Rose Bettencourt, President

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