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8 Attorneys for the Receiver

9 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

10 IN AND FOR MARICOPA COUNTY

11 STATE OF ARIZONA *ex rel.* Christina)
12 Corieri, Superintendent of the Arizona)
13 Department of Financial Institutions,)
14 Plaintiff,)
15 v.)
16 LANDMARC CAPITAL &)
17 INVESTMENT COMPANY,)
18 Defendant.)

Cause No. CV2009-020595

PETITION NO. 111

PETITION FOR ORDER APPROVING
FINAL ACCOUNTING, AUTHORIZING
PAYMENT OF FINAL
ADMINISTRATIVE EXPENSES,
ASSIGNING REMAINING ASSETS TO
THE ARIZONA DEPARTMENT OF
FINANCIAL INSTITUTIONS,
EXONERATING THE RECEIVER AND
HIS AGENTS, AUTHORIZING THE
DESTRUCTION OF RECORDS AND
TERMINATING THE RECEIVERSHIP
(Assigned to Judge Daniel Martin)

19 Christina Corieri, Superintendent of the Arizona Department of Financial Institutions
20 (“DFI”), as the court appointed Receiver, respectfully petitions the Court as follows:

21 On June 24, 2009 (“Receivership Date”), this Court entered its *Order Appointing Receiver*
and Order to Show Cause, which appointed the Superintendent of the Arizona Department of

1 Financial Institutions as Receiver of Landmarc Capital & Investment Company
2 (“Landmarc”).

3 1. On July 10, 2009, this Court entered its *Order Appointing Permanent Receiver*
4 *and Injunction* making the appointment of the Receiver permanent. On February 27, 2010,
5 the Court entered its *Order Placing Hayden Investments, LLC, Desert Trails Holdings, LLC*
6 *and Arizona Valuation Company, LLC in Receivership* and its *Order Placing Hayden*
7 *Insurance, LTD and Desert Trails Insurance Co. in Receivership*. On May 12, 2010, the
8 Court entered its *Amended Order Appointing Permanent Receiver and Injunction*
9 (collectively “Receivership Order”).

10 I. LANDMARC’S BUSINESS

11 2. Landmarc was an Arizona corporation licensed to do business in Arizona as a
12 “mortgage banker”¹ with its principal place of business at 4110 North Scottsdale Rd., Suite
13 330, Scottsdale, Arizona 85251. David Crantz was the sole shareholder and sole director of
14 Landmarc, as well as Landmarc’s President. Landmarc was what is known in the industry as
15 a “hard money lender” that made high risk loans to borrowers who were unable to obtain
16 loans from banks and other traditional lenders.

17 3. Landmarc made both residential and commercial real estate loans, secured by
18 first and second deeds of trust. Landmarc’s loans were secured by real estate throughout
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20 ¹ A “mortgage banker” is defined as “a person who is not exempt under section 6-942 and
21 who for compensation or in the expectation of compensation either directly or indirectly
makes, negotiates or offers to make or negotiate a mortgage banking loan or a mortgage
loan.” A.R.S. §6-941(5). Landmarc was issued mortgage banker license number 0906178.

1 Arizona with approximately 70% located in Maricopa County. Landmarc funded its loans
2 primarily with funds from its affiliates and from third-party lenders. The funding entities
3 included (a) Landmarc Capital Partners, LLC (“Partners”)², which was a captive investment
4 vehicle controlled by Landmarc, (b) loan participant lenders that purchased participation
5 interests in specific loans made by Landmarc (“Loan Participant Lenders”), and (c)
6 Warehouse Credit Facility lenders (“WCF Lenders”) who loaned substantial amounts to
7 Landmarc in order to fund loans.

8 4. At the time Landmarc was placed in receivership Partners, the WCF Lenders and
9 the Loan Participant Lenders had collectively advanced over 64 million dollars to Landmarc
10 to fund its loans. Landmarc carried on its books over 330 mortgage loans in which Partners,
11 the WCF Lenders and the Loan Participant Lenders were supposed to have a perfected
12 beneficial interest as a result of funds that they had advanced to Landmarc. In many cases
13 Landmarc had not properly perfected these participation interests by the recording of an
14 assignment of the deeds of trust to the correct lender. To compound the problems, nearly all
15 of Landmarc’s loans were under secured which meant that most of the lenders suffered losses
16 even though the Receiver was able to ultimately perfect the interests in the loans that the
17 lenders were entitled to. In many cases where Landmarc had foreclosed on a defaulted loan it
18 had taken title to the underlying real property in its own name rather than having title vested
19 in the name of the participant lender that had funded the loan.

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² Partners provided approximately 26 million dollars to Landmarc to fund Landmarc’s mortgage loans.

1 petitions. The procedures set forth in Order No. 2 are intended to provide a reasonable
2 opportunity to all interested parties, most of who are not lawyers and are not even parties to
3 the litigation, to have a say in the conduct of the receivership and this Court's supervision of
4 the receivership. With respect to the notice required for this Petition to approve the final
5 accounting and report of the Receiver, Order No. 2 provides as follows:

6 shall be given by mailing notice and a copy of the petition to each person on the
7 Master Service List not later than ten (10) days before the date set for hearing,
8 and notice shall be published once in the Arizona Business Gazette, or other
9 newspaper of general circulation, not later than seven (7) days before the date
10 set for hearing.

11 7. In an effort to provide full transparency for this receivership and to maximize the
12 information available the public, especially those who invested or did business with
13 Landmarc, the Receiver established a website at www.lcimortgage.com. On the receivership
14 website the Receiver has posted copies of petitions filed in the case and the orders on such
15 petitions, as well as the order appointing the Receiver and amendments thereto, and several
16 important letters to Landmarc's borrowers and lenders and the members of Partners. Finally,
17 the Receiver has maintained on the website a listing of all claims filed with the Receiver and
18 the status of those claims.

19 8. On October 8, 2009, the Receiver filed with the Court his *Petition No 5 -*
20 *Preliminary Report and Recommendations of Receiver*. On November 6, 2009, the Court
21 entered *Order Re: Petition No. 5* approving the Receiver's preliminary report.

22 9. **Funding Operations of the Receivership.** The majority of the operating costs
of this receivership have been funded by the Arizona Department of Financial Institutions

1 Receivership Revolving Fund (“ADFI Revolving Fund”), which in turn is entitled to be
2 reimbursed as general unsecured funds become available in the receivership. These general
3 unsecured funds used for reimbursement are derived from the payment by claimants of
4 expenses incurred by Landmarc and the Receiver in preserving and protecting the secured
5 assets (commonly referred to as loan charges), from the liquidation of loan interests and other
6 unsecured assets of the estate, and by litigation recoveries. The ADFI Revolving Fund has
7 provided the cash flow in the early stages of the receivership that permitted the Receiver to
8 proceed with an orderly liquidation of Landmarc without the necessity of engaging in a fire
9 sale of its assets or requiring the invasion of secured assets or property held in trust.

10 10. **Claims Adjudication.** On August 6, 2010, the Honorable Sam Myers entered an
11 *Order Establishing Procedures for the Adjudication of Claims, Re: Petition No. 27*, which
12 established procedures for the filing and adjudication of claims in this case. On or before the
13 claims bar date, the Receiver received 188 claims asserting over 460 different interests in
14 loans and parcels of real property held by the Receiver. Attached as **Exhibit “B”** is a listing
15 of all claims filed with the Receiver with information concerning the disposition of such
16 claims. The 188 filed claims are categorized as follows:

<u>Claim Type</u>	<u>Number</u>
WCF Claims	11
Loan Participation Claims	86
Borrower claims	55
Homeowners Association claims	6
Taxing authority claims	5
Claims to investments in LC Partners	4

1 Claims by trade creditors and other unsecured creditors 21

2 11. During the course of this receivership the Court has entered the following orders
3 adjudicating all of the claims filed with the Receiver:

4 a. On January 31, 2011, the Court entered its *Order Re: Petition No 40*,
5 which among other things denied the claim filed by Vicki Thompson.

6 b. On July 11, 2011, the Court entered its *Order Approving Receiver's*
7 *Recommendations Regarding Warehouse Credit Facility Claims, Re: Petition No. 43*,
8 which substantially adjudicated the eleven Warehouse Credit Facility Claims (“WCF
9 Claims”) totaling over \$26,000,000 and asserting 117 distinct security and other
10 interests in Landmarc’s loans.

11 c. On August 25, 2011, the Court entered its *Order Re: Petition No. 46*
12 which resolved the claims asserted by Melvin Harter and Melvin Harter Ministries,
13 Inc.

14 d. On October 19, 2011, the Court entered its *Order Re: Petition No. 52*,
15 which denied the claims filed by 30 borrowers.

16 e. On December 13, 2011, the Court entered its *Order No. 52 Denying*
17 *Claim by Cynthia Fera Re: Petition No. 52*, which denied the claim filed by another
18 borrower.

19 f. On May 21, 2012, the Court entered its *Order Deferring Resolution of*
20 *the Claimed First Out Rights and Claimed Interests in the Presidio 197 Loan and*
21 *Approving Remaining Recommendations of the Receiver, Re: Petition No. 54*, which

1 adjudicated nearly all of the 86 Loan Participation Claims and the WCF Claims
2 previously deferred.

3 g. On January 8, 2014, the Court entered its *Order Confirming Interests in*
4 *the Presidio West 197 Loan Re: Petition No. 54*, and on May 22, 2014, the Court
5 entered its *Stipulated Order Concerning Priority of Claims for Payment of Real*
6 *Property Taxes*, which adjudicated claims filed with respect to the Presidio 197 Loan.

7 h. On September 21, 2015, the Court entered its *Amended Stipulated Order*
8 *Denying Claim Filed by Carey Arp, Re: Petition No 55*, which denied the claim filed
9 by Carey Arp.

10 i. On June 8, 2017, the Court entered its *Order Re: Petition No. 54*, which
11 resolved all the claimed first out rights that had been deferred in the Court's order
12 entered on May 21, 2012. This order resolved all remaining issues with respect to the
13 Loan Participation Claims.

14 j. On December 20, 2019, the Court entered its *Order Re: Petition No.*
15 *110*, adjudicating the 57 remaining claims that had not been previously fully resolved.
16 With the entry of this order all claims filed with the Receiver have been finally
17 resolved.

18 12. With the exception of *Order Re: Petition No 40*, all of the above orders were
19 final orders from which no appeals were taken. Vicki Thompson appealed from *Order Re:*
20 *Petition No 40*. On January 31, 2012, the Arizona Court of Appeals entered its *Memorandum*
21 *Decision* affirming the order of this Court denying the claim filed by Vicki Thompson.

1 13. **Completed Litigation.** The Receiver or one of the receivership entities has been
2 named in numerous lawsuits during the course of this receivership which have now been
3 concluded. Those lawsuits include the following:

4 a. **Borrower Bankruptcy Cases.** At various times Borrowers have filed
5 bankruptcy petitions in an effort to, among other things, prevent Landmarc or the
6 Receiver from foreclosing on the real property security for the loan the borrower
7 obtained from Landmarc. When these bankruptcy petitions were filed the Receiver
8 generally would move to lift the automatic bankruptcy stay in order to permit the
9 foreclosure to proceed. Such cases include the Scheibenpflug, Bobbie Jean Arp,
10 Brown, Sabo, Porter, Ireland, We Did Our Part, LLC, Seamon and Jones Spray,
11 Lehman, Espinoza, Doan, Hubbard, Fera, Bone, Stewart, Boone, Lucero and Monterey
12 Capital Co. LLC bankruptcies. The Receiver’s involvement in those bankruptcies has
13 come to an end.

14 b. **Thompson Lawsuit.** One litigation matter involved a lawsuit filed in this
15 County by a borrower who had defaulted on her loan and lost two of her properties to
16 Landmarc through foreclosure. That lawsuit was styled as *Vicki R. Thompson v.*
17 *Landmarc Capital & Investment Company, et al.* (“Thompson Lawsuit”). On
18 December 16, 2009, the Honorable Eddward Ballinger Jr. entered a minute entry
19 consolidating the Thompson Lawsuit with this receivership action. Landmarc was
20 granted judgment in its favor by the Court’s *Order Re: Petition No. 40*, entered by
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1 Judge Myers on January 31, 2011. This order was appealed and subsequently affirmed
2 by the Court of Appeals.

3 c. Harter Lawsuit. Another lawsuit was filed by Melvin Harter Ministries,
4 Inc. in Cochise County styled as *Melvin Harter Ministries, Inc. v. Landmarc Capital &*
5 *Investment Company et al.* On November 24, 2009, the Honorable James Conlogue
6 entered an *Order* transferring the Harter Lawsuit to the Maricopa County Superior
7 Court where it was assigned number CV2010-001247. This lawsuit was dismissed by
8 the Court's *Order Dismissing Case With Prejudice* entered in the litigation by Judge
9 Verdín on August 9, 2011.

10 d. Arp Lawsuit. Another lawsuit was filed by Carrie Arp in the Pinal
11 County Superior Court in contravention of the stay provisions of the receivership
12 order. This lawsuit was styled as *Carey Arp v. Lauren W. Kingry, Receiver*. Mr. Arp
13 was the former spouse of one of Landmarc's borrowers, Bobbie Jean Arp, and he
14 alleged that he had a perfected interest in the real property which served as security
15 under Bobbie Jean Arp's loan from Landmarc and that his interest was superior to the
16 interest of Landmarc under its Deed of Trust. Because this claim was adverse to
17 Landmarc's interest in the property, the Receiver submitted the claim to Fidelity Title
18 Insurance Company, which provided a defense to the lawsuit and the claim filed in the
19 Receivership. The parties subsequently stipulated to the dismissal of the lawsuit
20 brought by Carrie Arp and the denial of his claim in the receivership.
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1 e. Lloyd's of London Lawsuit. In 2010, the Receiver filed suit against
2 Lloyd's of London seeking to recover under a commercial property and liability policy
3 issued by Lloyds in connection with certain real property that Landmarc had acquired
4 by foreclosure. The settlement of that lawsuit was approved by the receivership Court
5 under its *Order Re: Petition No. 30* entered on August 6, 2010.

6 f. Hartford Fire Insurance Company Lawsuit. In 2009, the Receiver filed
7 suit against Hartford Fire Insurance Company which had issued a statutory surety bond
8 on behalf of Landmarc. The settlement of that lawsuit was approved by the
9 receivership Court under its *Order Re: Petition No. 18* entered on May 12, 2010.

10 g. Stoneman Lawsuit. On December 22, 2008 and prior to the appointment
11 of the Receiver, various WCF Lenders known as the Stoneman Entities filed suit in
12 Maricopa County against Landmarc and other defendants alleging that Landmarc
13 breached its contractual obligations with the Stoneman Entities under their various
14 WCF Agreements. The claims in this lawsuit were settled pursuant to the settlement
15 agreement approved by the Court under *Order Re: Petition No. 35*, entered on
16 November 9, 2010.

17 h. Val Vista Meadows Owners Association Lawsuit. In 2010 the Val Vista
18 Meadows Owners Association filed suit in Maricopa County against Landmarc,
19 Partners, and other defendants. Upon being notified of the existence of the
20 receivership stay, counsel for the plaintiff voluntarily dismissed Landmarc and
21 Partners from the lawsuit.

1 i. I Build, LLC Lawsuit. In 2010, I Build, LLC, filed suit in Pinal County
2 against Landmarc and various other defendants. Upon being informed of the
3 receivership stay, counsel for the plaintiff stipulated to an order dismissing Landmarc
4 from the lawsuit.

5 j. Power Ranch Community Association Lawsuit. In 2010, Power Ranch
6 Community Association filed suit in Maricopa County against Landmarc. Upon being
7 informed of the receivership stay, counsel for the Plaintiff voluntarily dismissed the
8 lawsuit.

9 k. Quality Ready Mix Lawsuit. In 2009, Quality Ready Mix, Inc. filed suit
10 in Navajo County against Landmarc and various other defendants. The Receiver filed
11 a Motion to Stay the lawsuit as to Landmarc Partners and the Plaintiff then voluntarily
12 dismissed the lawsuit.

13 l. Hyatt Lawsuit. In 2009, Delton and Karen Hyatt filed suit in Maricopa
14 County against Landmarc and several other defendants. At the Request of the
15 Receiver, the Honorable Karen Potts entered an order on August 25, 2009, staying this
16 lawsuit as to Landmarc and in response to the Receiver's motion to dismiss, the case
17 as to Landmarc was dismissed on November 23, 2010.

18 m. La Place Du Sommet Lawsuit. In 2009, La Place Du Sommet
19 Homeowners Association, Inc. filed suit in Maricopa County against Landmarc and
20 one of its lenders and several other defendants. On August 14, 2009, the Honorable
21 Michael Reagan entered an order staying the lawsuit.

1 n. Consumer Protection Corporation Lawsuit. In 2008, the Consumer
2 Protection Corporation filed suit in Maricopa County against Landmarc and others.
3 The Receiver filed a motion to stay and the Plaintiff voluntarily dismissed as to
4 Landmarc and the Court entered a stay of the litigation as to Landmarc.

5 o. Casa Tierra Community Association v. Landmarc. In 2009, the Casa
6 Tierra Community Association filed suit against Landmarc in the San Marcos Justice
7 Court in Maricopa County. The Receiver filed a *Notice of Stay* and on July 30, 2009,
8 the Court entered an order staying the lawsuit.

9 p. Beor Fund 1, LLC v. Hayden Investments, LLC. This was a tax lien
10 foreclosure action involving the REO property located on 193rd Ave in Goodyear,
11 which had been acquired by the Receiver as a result of the foreclosure of the deed of
12 trust on the Loyola-Souza loan. Once notified of the Receivership Order the Plaintiff
13 stayed prosecution of the action and the tax lien was subsequently satisfied with the
14 sale of the property approved by the Court's *Order Re: Petition No. 107*. The lawsuit
15 was subsequently dismissed.

16 q. Lazy E, LLC v. Landmarc. Prior to the appointment of the Receiver,
17 this action against Landmarc was filed by several WCF Lenders asserting interests in
18 various loans and related deeds of trust. After the appointment of the Receiver a
19 settlement was reached between the Receiver and the Plaintiffs, which was approved
20 by the Court's *Order Re: Petition No. 35*.

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1 r. Receiver's Claims against David & Tamara Crantz. Following an
2 extensive investigation, the Receiver determined that he possessed numerous claims
3 against David Crantz. Prior to filing a lawsuit, the Receiver and Crantz reached a
4 settlement of the Receiver's claims, which was subsequently approved by the Court's
5 *Order Re: Petition No 12*.

6 s. Advanced Property Tax Liens Inc. v. Arizona Valuation Company LLC
7 et al. This was a lawsuit filed against Landmarc and others to foreclose a tax lien on
8 property located at 1331 E. Willetta in Phoenix. Since the improvements on the
9 property had been destroyed, the amount of the tax lien and the senior liens by lenders
10 eliminated any equity for the Receiver, therefore the Receiver abandoned all interests
11 in the property. *See* the Receiver's *Notice of Abandonment* filed on January 3, 2013.

12 t. Apagon Industries Inc. v. Janca et al. This was a lawsuit filed against
13 Landmarc and others to foreclose a tax lien on property located at 21688 N. Tijeras Rd
14 in Maricopa. The beneficial owner was unwilling to provide the funds to satisfy the tax
15 lien and therefore the Receiver decided to not defend the foreclosure action and the
16 Plaintiff eventually obtained a default.

17 u. Landmarc v. Great Lakes Reinsurance PLC. This was a lawsuit filed by
18 the Receiver against Great Lakes Reinsurance PLC and its managing agent for the
19 refusal of Great Lakes to pay under its policy for losses incurred by the Receiver on
20 two properties. Great Lakes removed the case to federal court and subsequently the
21 parties reached a settlement and the lawsuit was dismissed.

1 v. Tax Lien Investments LLC v. Luna. This was a lawsuit filed against
2 Landmarc and others to foreclose a tax lien on property located at 941 West Sunland
3 Avenue in Phoenix. The Receiver determined that Landmarc's loan had been paid off
4 and that Landmarc had no interest in the property.

5 w. MACWCP II LLC v. Landmarc. This was a lawsuit filed against
6 Landmarc and others to foreclose a tax lien on property located at 1101 S. 4th Street in
7 Avondale. The Receiver paid the taxes and legal fees and the lien was removed and
8 the case dismissed which enabled the Receiver to subsequently sell the property and
9 transfer the net proceeds to the beneficial owner approved by the Court.

10 x. Tax Lien Services LLC v. Wilson, et al. This was a lawsuit filed against
11 Landmarc and others to foreclose a tax lien on property located at 4616 S. Central
12 Avenue in Phoenix which was security for a loan made by Landmarc and beneficially
13 owned by others. The Beneficial Owners paid the taxes and legal fees and the lien was
14 removed and the case dismissed.

15 y. Kolonia LLC v. Dinkum Funding and Investments LLC, et al. This was
16 a lawsuit to foreclose a tax lien on property located at 350 Cypress Street in Gilbert.
17 The lawsuit was filed against the purchaser of the property from the Receiver and
18 related to unpaid taxes from 2000. The Receiver asserted claims against the title
19 company that had issued a lender's policy to Landmarc that had failed to identify the
20 existence of these unpaid taxes. After extensive investigation and negotiations, the
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1 Receiver and the purchaser settled with the title companies involved which resulted in
2 the payment of the 2000 taxes and this lawsuit was dismissed.

3 z. Makai Properties LLC v. DeLeon et al. This was a lawsuit filed against
4 Landmarc and others to foreclose a tax lien on property located at 2922 88th Avenue in
5 Peoria. Since Landmarc no longer held any interest in the property or the underlying
6 loan the Receiver did not pay the taxes or defend the lawsuit.

7 aa. Poirier Litigation. In 2006 Landmarc loaned \$2,500,000 which was
8 secured by approximately 664 acres of vacant rural land located in Yavapai County.
9 The borrower defaulted and Landmarc subsequently foreclosed and took title to the
10 property. After the Receiver was appointed and took control of the property, the
11 Receiver obtained a preliminary title report that showed a cloud on the title to the
12 property resulting from errors in deeds recorded prior to Landmarc having made the
13 loan. As a result the Receiver filed *Petition No. 100, Petition for Quiet Title and Other*
14 *Relief* to clear the title to the property. On June 27, 2017 the Court entered its *Order*
15 *Re: Petition No. 100* that vested Landmarc with clear title to the property and
16 authorized the Receiver to sell the property. The Receiver subsequently was able to
17 sell the property and distribute the net sale proceeds to the beneficial owners.

18 bb. PTL Partners LLC v. Landmarc et al, and Tax Lien Due Diligence LLC
19 v. Landmarc, et al. These lawsuits were filed against Landmarc and others to
20 foreclose tax liens on property located in New River. The Receiver notified the
21 Plaintiffs of the stay contained in the Receivership Order which enabled the Receiver

1 to market and sell the property at which time the tax liens were paid and the lawsuits
2 dismissed.

3 cc. First Out Litigation. This was extensive litigation over several years
4 between various claimants in the Landmarc receivership in which some claimants
5 asserted a priority interest over the other claimants. Although the Receiver did not
6 take a position in the litigation the Receiver was involved in providing information to
7 the litigants, monitoring the litigation and maintaining the status quo on the underlying
8 loans and real properties pending a final resolution of the litigation. The Receiver was
9 instrumental in recommending to the various claimants and participating with the
10 various claimants in a mediation that resulted in the resolution of the issues claimed by
11 the litigants.

12 III. FINAL ACCOUNTING

13 14. Attached as Exhibit "C" is the Receiver's final accounting consisting of a Pro-
14 Forma cash flow accounting from January 1, 2020 through the closing of the receivership
15 (Exhibit C-1) and the 2019 Financial Statements (Exhibit C-2).

16 15. The receivership estate owns two fireproof file cabinets that the Receiver
17 recommends be transferred to DFI pursuant to A.R.S. §6-131.01 in partial satisfaction of the
18 outstanding priority reimbursement claim of DFI. As noted in the Final Accounting the
19 Receiver has placed a value on those two cabinets at \$1,500 each and therefore the priority
20 reimbursement claim of DFI will be reduced by \$3,000.

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V. DESTRUCTION OF RECORDS

19. Upon entry of the order terminating this receivership and following the payment of the final administration expenses and the distribution of all remaining assets of the receivership estate as provided in the final accounting, the Receiver will have no further use for the Receivership Records. Therefore, the Receiver requests that this Court authorize the Receiver to retain the books and records and other Receivership Records for at least 120 days and thereafter destroy the records. The costs for such storage and destruction of the Receivership Records has been pre-paid by the Receiver from the assets of this receivership. In addition, the Receiver requests authority to cease maintain the receivership website not sooner than 30 days following the entry of the order.

VI. CLOSING STATEMENT

20. Following the final distributions as reflected in the Final Accounting attached hereto as **Exhibit "C"**, the Receiver will file with the Court a "Closing Statement" reflecting that such distributions have been completed. This receivership should be deemed terminated upon the filing of the "Closing Statement" by the Receiver without further proceedings or orders of the Court.

VII. NOTICE

21. In accordance with this Court's Order No. 2, the Receiver:

- a. Has mailed a copy of this Petition, the proposed order, and the Notice of Hearing, to all persons on the Master Service List;

1 b. Intends to publish notice of this sale in the Arizona Business Gazette at
2 least seven (7) days prior to the hearing.

3 22. In addition, a copy of the Notice of Hearing will be mailed within ten (10) days
4 of the filing of this Petition to all persons that filed claims in this receivership, addressed to
5 their last known mailing address.

6 WHEREFORE, the Receiver respectfully requests that the Court enter an order:

- 7 1. Approving the Receiver’s final accounting attached as **Exhibit “C”**;
- 8 2. Authorizing the payment of final administrative expenses reflected on **Exhibit**
9 **“C”**;
- 10 3. Awarding the two fireproof file cabinets owned by the receivership to the DFI
11 valued at \$3,000 in partial satisfaction of its priority reimbursement claim;
- 12 4. Directing the Receiver to pay all funds remaining in this receivership after
13 payment of the final administrative expenses, to DFI in partial satisfaction of its priority
14 reimbursement claim;
- 15 5. Authorizing the Receiver to destroy the books and records of this receivership
16 not earlier than one hundred and twenty (120) days from the entry of this order;
- 17 6. Authorizing the Receiver to cease maintaining the receivership website not
18 earlier than thirty (30) days from the entry of this order;
- 19 7. Discharging the Receiver from further responsibility in this receivership and
20 exonerating the Receiver and his employees, agents, attorneys and assistants from any and all
21 further liability to this receivership estate, or to Landmarc Capital & Investment Company,

1 Hayden Investments, LLC, Desert Trails Holdings, LLC, Arizona Valuation Company, LLC,
2 Hayden Insurance, LTD and Desert Trails Insurance Co., or their respective subsidiaries,
3 affiliates, creditors, claimants, beneficiaries, or owners;

4 8. Declaring that this Receivership proceeding shall terminate without further order
5 of this Court upon filing by the Receiver of a “Closing Statement” reflecting the payment of
6 final administrative expenses and final distributions as reflected on **Exhibit “C”**;

7 9. Enjoining all persons from commencing or prosecuting, without leave of this
8 Court, any action against the Receiver or his agents in connection with or arising out of the
9 Receiver’s service to this Court in this Receivership; and

10 10. Retaining jurisdiction for the purpose of enforcing the above injunctive relief.

11 Respectfully submitted this 7th day of April, 2020.

12 GUTTILLA MURPHY ANDERSON, P.C.

13 /s/Patrick M. Murphy
14 Patrick M. Murphy
15 5415 E. High St., Suite 200
16 Phoenix, Arizona 85054
17 (480) 304-8300
18 Attorneys for Receiver
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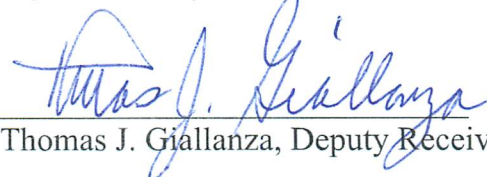
Verification

I, Thomas J. Giallanza, do hereby declare as follows:

I am the court appointed Deputy Receiver of Landmarc Capital & Investment Company and related entities; that I have read the foregoing *Petition No. 111, Petition for Order Approving Final Accounting, Authorizing Payment of Final Administrative Expenses, Assigning Remaining Assets to the Arizona Department of Financial Institutions, Exonerating the Receiver and his Agents, Authorizing the Destruction of Records and Terminating the Receivership* and know the contents thereof; that the matters and things contained therein are true in substance and in fact, to the best of my information, knowledge and belief, except as to those matter and things alleged on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 6th day of April, 2020, in Phoenix, Arizona.


Thomas J. Giallanza, Deputy Receiver

1157-050 (388835)