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6 IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA

7 IN AND FOR THE COUNTY OF MARICOPA

8 STATE OF ARIZONA ex rel. LAUREN)
9 KINGRY, Superintendent of the Arizona)
Department of Financial Institutions,)

10 Plaintiff,

v.)

11 LANDMARC CAPITAL &)
INVESTMENT COMPANY,)

12 Defendant.)

Cause No. CV2009-020595

PETITION NO. 54

RECEIVER'S CLAIMS REPORT ON THE
LOAN PARTICIPANT LENDER CLAIMS
AND THE DEFERRED WCF LENDER
CLAIMS

(Assigned to Judge Eileen Willett)

13)
14)
15)
16)
17 Lauren Kingry, as the court appointed Receiver, reports to the Court on the Loan
18 Participation Lender Claims and respectfully petitions the Court as follows:

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I. INTRODUCTION

1. 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 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 February 27, 2010, the Court entered its *Order Placing Hayden Investments, LLC, Desert Trails Holdings, LLC and Arizona Valuation Company, LLC in Receivership* and its *Order Placing Hayden Insurance, LTD and Desert Trails Insurance Co. in Receivership*. On May 12, 2010, the Court entered its *Amended Order Appointing Permanent Receiver and Injunction* (collectively “Receivership Order”).

2. Pursuant to the Court’s *Order Re: Petition No. 35* entered on November 9, 2010, the Receiver acquired all of the interests of the following WCF Lenders in 20 of Landmarc’s loans and REO: Lazy E, LLC, an Arizona limited liability company (“LazyE”), Stoneman Properties, LLC, an Arizona limited liability company (“Stoneman”) and SEM Investments, LLC, an Arizona limited liability company (“SEM”). These interests were confirmed by the Court in its *Order No. 43*.

3. On August 6, 2010, this Court entered its *Order Establishing Procedures for the Adjudication of Claims, Re: Petition No. 27* (“*Order No. 27*”), which established procedures for the Receiver to solicit and adjudicate claims by the creditors of Landmarc and the other receivership entities.

1 4. *Order No. 27* set deadlines for filing claims with the Receiver (“Claims Bar
2 Date”). *Order No. 27* set September 24, 2010, as the Claims Bar Date for all claims other
3 than non-loan participation claims by Landmarc Capital Partners, LLC (“LCPARTNER”).
4 Under *Order No. 27*, LCPARTNER had until March 1, 2011, sixty days following the
5 Receiver’s resignation as the manager of LCPARTNER, to file a claim for anything other
6 than a loan participation claim.

7 5. On or before the applicable Claims Bar Date, the receiver received 187 claims.
8 In accordance with *Order No. 27*, the Receiver has posted on the receivership website a
9 listing of all the claims filed with the Receiver. That listing can be found at
10 www.lcimortgage.com. The 187 filed claims are categorized as follows:

<u>Claim Type</u>	<u>Number</u>
WCF Claims to principal, interest and loan interests	11
Loan Participation Claims to loan participation interests	85 ¹
Borrower claims	55
Homeowners Association claims	6
Trade creditor claims	4
Taxing authority claims	5
Claims to interests in Landmarc Capital Partners, LLC	4
Other	17

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18 6. This Petition contains the Receiver’s recommendations concerning (a) the
19 eighty four (84) Loan Participation claims (“LP Claims”) filed with the Receiver, and (b)
20 the interests claimed by the WCF Lenders that were deferred under the Court’s *Order*

21 ¹ Originally the Receiver had identified 79 claims as Loan Participation claims. Subsequently, the Receiver has reclassified an additional 5 claims from Other to Loan Participation.

1 *Approving Receiver's Recommendations Regarding Warehouse Credit Facility Claims, Re:*
2 *Petition No. 43* entered on July 12, 2011 ("*Order No. 43*").

3 II. LOAN PARTICIPATION AGREEMENTS

4 7. Landmarc, a hard money lender, originated mortgages using primarily
5 investor supplied capital to fund loans secured by real property. The investor supplied
6 capital was raised by Landmarc through a variety of means, one being through the use of
7 loan participation ("LP") arrangements. The rights of the parties under the LP arrangements
8 were set forth in an *Investor Disclosure and Purchase Agreement*, a *Participation*
9 *Certificate*, and a *Participant's Disclosure Statement* (collectively referred to hereafter as
10 the "LP Agreement"). Samples of these documents are attached as Exhibits A, B and C
11 respectively.² Unlike with the WCF Lenders³, the relationship between each LP Lender and
12 Landmarc was not one of lender-borrower. Under the LP Agreement a LP Lender would
13 acquire a defined interest in a specific loan. If the loan defaulted, the LP Lender would have
14 no claim against Landmarc but would be entitled to the agreed interest in the loan as
15 detailed in the LP Agreement. From time to time, Landmarc would repurchase part or all of
16 a LP Lender's interests in a retail loan with either Landmarc's own funds, funds of one of
17 Landmarc's affiliates, or funds provided by another LP Lender or a WCF Lender.

18
19 _____
20 ² Although there are some differences, for the most part Landmarc used the same form LP
21 Agreements for each LP Lender, rendering them largely similar in substance particularly as they
relate to issues addressed herein. Partners did not have a written agreement but the course of
dealings between Landmarc and Partners was consistent with the dealings with LP Lenders and
therefore the Receiver has treated Partners the same in making recommendations on its claims.

³ See the Receiver's *Petition No. 43*.

1 8. The LP Agreement provided that “Landmarc desires to sell and Participant
2 desires to purchase participations in the Loan and Deed of Trust upon the terms, conditions
3 and agreements set forth herein.” *See* Exhibit A, recital B, at page 2. The LP Agreement
4 further provided that Landmarc “shall hold the Loan and Deed of Trust Agreements for the
5 benefit of Lender and Participant, and, subject to the terms as herein provided, Participant
6 shall be deemed to have an interest in the Loan and Deed of Trust Agreements in proportion
7 to Participant’s Participation Interest in the Loan.” Exhibit A, paragraph 4, at page 3.
8 Although the LP Agreement generally did not expressly obligate Landmarc to execute and
9 record an assignment of beneficial interest in the deed of trust securing the retail loan
10 funded by the LP Lender, most LP Lenders have indicated that they were promised this
11 additional protection. *See the Declaration of Jeff Peterson* attached hereto as Exhibit D. In
12 many cases, however, Landmarc failed to execute or record such an assignment of
13 beneficial interest.

14 9. In the event of default, Landmarc was required to acquire the security and
15 hold it for the benefit of the LP Lender:

16 13. Recovery of the Property. In the event Lender determines that it
17 is advisable to take possession of the property encumbered by the Loan and
18 Deed or Trust Agreements through foreclosure or otherwise, Lender shall
19 acquire the Property in its name for the benefit of the parties hereto as set forth
20 herein. *Lender shall then hold any such Property for the benefit of Lender and*
21 *Participant*. Lender may manage, maintain and improve the Property or to sell
or dispose of the Property so acquired. Upon sale or disposition of the
Property, Participant shall be paid its/their principal, unpaid interest and any
expenses advanced by Participant before Lender recovers it’s expenses, fees,
penalties and charges. Lender shall bear the risk of loss of its recovery
expenses and the gain on disposition of the Property including any late fees
and charges and prepayment penalties. Participant acknowledges and agrees

1 that Participant has no authority to nor shall Participant enter into any
2 agreements to release or waive, without Lender's written consent, any
3 principal, unpaid interest, late charges and fees, foreclosure fees and charges,
4 prepayment penalties or any other rights, remedies or obligations of Lender or
Participant with respect to the Borrower relating to the Property and the Loan
and Deed of Trust Agreements relating to the Property.

5 Exhibit A, at page 7 [emphasis added].

6 10. As part of the LP Agreement Landmarc made clear that it made no
7 representation concerning the credit worthiness of the Borrower, nor any representations or
8 warranties as to the veracity or validity of the information or representations made by the
9 Borrower. See Exhibit A, paragraph 14, at page 7.

10 11. With respect to the relationship between Landmarc and the LP Lender, the LP
11 Agreement provided that:

12 Lender shall act only as agent for Participant in the control and
13 management of the non-defaulted Loan, without charge, and shall not be
14 responsible to Participant beyond that degree of ordinary care that Lender
15 exercises in the conduct and management of its own business. Lender shall not
16 be liable to Participant for any loss except that arising as a direct result of
Lender's own gross negligence or willful misconduct. Lender shall not be
liable to Participant for any act of Escrow Agent. In the event of a default
under the Loan, Lender shall be reimbursed on a pro rata basis by Participant
for any expenses advanced by Lender to enforce the rights of Lender under the
Loan as set forth hereunder and as set forth in Paragraph 11 hereof.

17 Exhibit A, paragraph (14)(c) at page 8.

18 12. Finally, the LP Agreement provided that:

19 20. Option and Irrevocable Powers of Attorney. Lender has the option
20 and right at any time to repurchase Participant's Interest hereunder upon the
21 payment of the then remaining principal balance due Participant along with
any interest due thereon. Concurrent with such repurchase exercise by Lender,
Participant shall execute all documentation required by Lender with respect to

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the repurchase of Participant's Interest including assignments of the Deed of Trust and tendering to Lender Participant's original Participation Certificate.

(a) Repurchase Power of Attorney. Participant hereby appoints Lender as Participant's attorney in fact for the purpose set forth below. Participant hereby grants Lender an irrevocable special power of attorney to execute all documents and agreements on behalf of Participant deemed necessary by Lender to effect a reconveyance of the Loan and Deed of Trust Agreements to Lender or any designee of Lender upon the repurchase of Participant's Participation Interest at any time upon the payment of the appropriate payoff amount due to Participant. This special power of Attorney extends to the execution of all documents and agreements by Lender on behalf of Participant as are deemed necessary by Lender to reconvey the Loan and Deed of Trust, which documents include, but are not limited to, the execution, filing and recording an assignment of the Deed of Trust from Participant to Lender or to Lender's designee. Lender has the sole right and authority to act on behalf of Participant as set forth herein. This special power of attorney cannot be revoked and will survive Participant's death.

(b) Foreclosure Power of Attorney. In the event of a default under the Loan, Lender has the sole right and authority to act on behalf of Participant, as set forth herein, in any foreclosure proceedings. Participant agrees to appoint Lender as Participant's attorney in fact for all matters following a default. This special power of attorney cannot be revoked and will survive Participant's death or any subsequent transfer or assignment of the Property.

Exhibit A, paragraph (20) at pages 10-11.

III. LP AND WCF LENDER CLAIMS

13. Landmarc entered into LP Agreements with hundreds of Loan Participant Lenders over the several years it did business. The Receiver received 85 claims to participation interests from the LP Lenders or their successors. Generally these LP Lender Claims assert an interest in loans, or the proceeds thereof, held or controlled by Landmarc as

1 of June 24, 2009, the inception date of this receivership⁴ (“Receivership Date”). Included in
2 those 85 claims is a claim from LCPARTNER. Although LCPARTNER did not have a
3 written LP Agreement with Landmarc, Landmarc treated LCPARTNER as a Loan
4 Participation Lender. It appears that Landmarc never documented the relationship because
5 as the manager of LCPARTNER it apparently never felt it necessary to commit the legal
6 relationship between the two entities to writing. The following 85 LP Lender claims were
7 timely filed with the Receiver claiming various interests in the loans, real estate and
8 proceeds thereof held or controlled by the Receiver on the Receivership Date:

<u>Claim No.</u>	<u>LCI Code</u>	<u>Name of LP Claimant⁵</u>	<u>Claimed Interests⁶</u>
6882	AHCOPEN02	MD Mock Corp 401K Plan	1
7001	BALFOUR1	Sterling Trust FBO R. Balfour	2
7000	BALFOUR2	Robert Balfour	1
8545	BALL	Geoffrey Ball	2
7012	BECKER	Louis Becker	2
7013	BEHRENDT	June Behrendt	2
7028	BLOCH	Diana Bloch	1
7076	CHOPRA	Karen Lamb Living Trust	2
8543	CJINVESTOR	CJ Investors, LLC	2
7085	CLARKE	Beverly Clarke, IRA	2
7095	COHEN	Tobi Cohen	1
7096	COHEN1	Victoria Cohen	8
7110	CRAIGOW	William Craigo	1

⁴ June 24, 2009, is the date the Court entered its *Order Appointing Receiver*, appointing the Superintendent of the Arizona Department of Financial Institutions as the Receiver of Landmarc.

⁵ Each of these LP Claimants is referred to hereafter by its respective LCI Code.

⁶ Some of these LP Claimants, in addition to or instead of claiming an interest in a loan, have asserted a damage claim for the losses they claim to have suffered as a result of their participation in loans with Landmarc. The Receiver recommends that those damage claims be denied as more fully explained at page 49, *infra*.

Claim No.	LCI Code	Name of LP Claimant ⁵	Claimed Interests ⁶
6327	CROSSTIMB	Cross Timbers Casualty	1
7125	DEEM	Ruby Deem	2
7126	DEEM1	Ruby Deem	5
8535	DEERLODGE	Deerlodge Investors, LLC	1
7129	DESERTTRAI	Desert Trails Insurance ⁷	28
7137	DOUCET	Doucet Family Trust	1
7369	DVHMGMT	DVH Management Corp.	1
7148	ELKHORN	Elkhorn Investors, LLC	1
7149	ELLIOTT	Gary Elliott	1
8533	EMPIRE	Empire Acceptance Inc. ⁸	2
7288	FRIEDMAN	Harvey Friedman	3
7293	FULLER	Sandra S. Fuller Rev. Trust	1
7306	GDOUCET	Gerald Doucet	1
7329	GREENBERG1	Mark Greenberg	1
7337	GRIMM	Bennett & Susan Grimm	1
7341	HAGEN	Richard Hagen	1
7021	HARVANENTR	Barbara Harvan	1
7356	HAYDEN	Hayden Investments, LLC ⁹	19
7371	HIGBEE	Earl Higbee	1
7380	HOOKERS	Stephen L Hooker, IRA	3
7392	HUMPHEd	Edward Humphries	1
8539	HUNGRY	Hungry Horse Investors, LLC	1
7408	JAMIESON	Virginia Jamieson	1
7418	JOYCEP	Phyllis Joyce	1
8537	JUTZI	Cohen, Rife & Jutzi PSP	1
7421	KAY01	Kay Investments, LLC ¹⁰	6

⁷ Desert Trails was placed in receivership by the Court's *Order Placing Hayden Insurance, LTD and Desert Trails Insurance Co. in Receivership* entered on February 27, 2010.

⁸ All of the interests of EMPIRE in loans and property were conveyed to Landmarc pursuant to an agreement between the Receiver and EMPIRE, by and through its president, Jeff Peterson.

⁹ HAYDEN was placed in receivership by the Court's *Order placing Hayden Investments, LLC Desert Trails Holdings, LLC and Arizona Valuation Company, LLC in Receivership* entered on February 27, 2010.

	Claim No.	LCI Code	Name of LP Claimant⁵	Claimed Interests⁶
1				
2	7432	KEPESDO	Dodo Kepes	1
3	8469	KEPESENTRU	Ronald S Kepes, IRA	12
4	7436	KEPESR	Ronald S. Kepes Trust	1
5	7438	KHAN	Lisa Khan	1
6	7451	KRIEG	David Krieg	1
7	7453	KRONOS	Kronos Enterprises, LLC	1
8	7455	KRUGLICK	Burton Kruglick	1
9	7976	LCPARTNER	Landmarc Capital Partners, LLC	79
10	8401	LDMACCEPT	LDM Acceptance Company	11
11	8529	LDMPENS	LDM Acceptance Co. PP	25
12	7988	LESHNER	Stephen Leshner, IRA	1
13	8022	MACKEN1	Michael Macken, IRA	2
14	8547	MANNY	Manny Daskal	1
15	8032	MANNY	Manny Daskal	1
16	8542	MILVERTON	Milverton Investments, LLC	1
17	8071	MOCK	Rowena Mock	1
18	8079	MONTEREY	Monterey Capital, LLC	1
19	8085	MUI	Julie M. Mui	1
20	8087	MURRAYR	Robert Murray	1
21	8135	PETERSEN01	Barbara Petersen	1
	8137	PETERSON	Jack Peterson Family Trust	2
	8536	PORTELGIN	Port Elgin, LLC PSP	3
	8155	RADER	Robert K Rader, IRA	1
	8161	REDSTAG	Red Stag Investors, LLC	1
	8180	ROTHBERG	Elinor Rothberg	1
	8183	RRUSSELL	Richard Russell	2
	8185	RUBINTR	Jack B. Rubin Revocable Tr.	2
	8189	RUSSO	Robert Russo	1
	8231	SINGER	Singer Living Trust	1
	8242	SNEED	Jimmie Sneed	1
	8244	SOLHEIMJ	John & Brooke Solheim	1

¹⁰ The principals of KAY01 are Dr. Marc Kay and Jacqueline Kay.

<u>Claim No.</u>	<u>LCI Code</u>	<u>Name of LP Claimant⁵</u>	<u>Claimed Interests⁶</u>
8245	SOLHEIMR	Rhonda K Solheim, IRA	4
8552	SPAULD01	Shane Spaulding	1
8278	STATION	Station Park South LLC	2
8534	STILLRIVER	Still River Investors, LLC	1
8314	TARCHENSKI	Albin Tarchenski	2
8352	URQUIETA	Urquieta Smythe Family Tr.	1
8362	VANBLADEL	Brotzman/Vanbladel Rev. Tr.	2
8540	WALKERTON	Walkerton Investments, LLC	1
8541	WHITEFISH	Whitefish Investors, LLC	1
8380	WHITETRUST	Wesley White	1
8538	WILLOWDALE	Willowdale Investments, LLC	1
8400	WISS	Barry Wiss	3
8403	WISSZ	Zachary Wiss	1
8405	WOLFSD	David Wolfswinkel	2
8406	WOLFSP	Penny Wolfswinkel	2
85		Total Interests Claimed	298

14. Approximately one third of the participation interests asserted by these LP Lender Claims raise the same issue, namely there was no perfected security interest and no recorded assignment or deed conveying a participation or title interest to the LP Lender as of the Receivership Date. Most notably, Landmarc often failed to record an assignment of beneficial interest in the deed of trust to the interested LP Lender as it had agreed to do. In other cases when the loan defaulted and Landmarc pursued foreclosure, it typically assigned back any outstanding participation interests so that the foreclosure would result in a trustee's deed conveying title to Landmarc. This appears to have been done as a matter of convenience. Accordingly, on the Receivership Date, the Receiver took control of a large number of loans and REO in which no perfected security interest, recorded assignment of

1 beneficial interest, or fee title had been conveyed to the LP Lender who believed it held a
2 protected interest in the retail loan or the resulting REO.

3 15. However, upon review of Landmarc's books and computer systems, the
4 Receiver was able to identify the retail loan interests of each LP Lender. The Receiver was
5 also able to ascertain, among other things, the amount and percentage interest of each LP
6 Lender in its respective retail loans, the current status of these loans, and whether the LP
7 Lender held as of the Receivership Date an assignment of beneficial interest or fee title to
8 any of its loan participation interests. In this report, the Receiver makes his
9 recommendations concerning the enforceability of each LP Lender's participation interest in
10 most of the retail loans, cash proceeds, and REO properties. Some claimed interests in REO
11 properties have been previously transferred to the LP Lender pursuant to one or more of the
12 Court's earlier orders.¹¹

13 16. The same problem is presented by the claimed interests by seven of the WCF
14 Lenders who had some of their claimed interests deferred under the Court's *Order No. 43*.
15 The deferred claims of these WCF Lenders are summarized below:

Claim No.	LCI Code	Name of WCF Claimant¹²	Deferred Interests
8546	BALLWARE	Lydia Ball Revocable Trust	1
7338	GUBINWARE	Gubin Family Trust & Helen and Stephen Gubin Charitable Remainder Trust	10

20 ¹¹ See the claimed interests in Exhibit E which have previously been transferred to the beneficial
21 owner pursuant to a prior order of the Court, denoted by the entry of "Trans" under Column E
entitled "Current Status."

¹² Each of the WCF Claimants is referred to hereafter by its respective LCI Code.

Claim			Deferred
<u>No.</u>	<u>LCI Code</u>	<u>Name of WCF Claimant</u> ¹²	<u>Interests</u>
7431	KEPESWARE	Madelene Kepes Ware Revocable Living Trust	4
8003	LITCHFIELD	Litchfield Funding, LLC	5
8089	MURRAYWARE	Bruce Murray	3
8325	TBM	TBM Associates, LLC	9
8381	WHITEWARE	Wesley A. & Marlene White Trust	6
Total Interests Deferred			38

IV. EQUITABLE LIEN

17. Based on the Receiver's review of many of the loans at issue here, the Receiver is reasonably certain that in the case in which LMS¹³ indicates that a particular LP Lender or WCF Lender holds a specified portion of a loan, that the Lender in fact provided the indicated share of funds used to fund the loan, or to acquire the interest of another Lender who had originally funded the loan. In addition, there is no evidence of over-allocation or overselling participation interests in Landmarc's loans and therefore, imposing an equitable lien for the percentage reflected in Landmarc's records will result in the LP Lender or WCF Lender receiving the interest that it purchased and paid for without adversely affecting the interests of other similarly situated claimants. Accordingly, the Receiver believes that by funding the loan (or a percentage of the loan), the LP Lender or

¹³ LMS refers to Landmarc's computerized database of information regarding the loans made by Landmarc and the funding of those loans. During the time Landmarc was in business this database was contained in a software program called Mortgage Office. Because Mortgage Office terminated Landmarc's licenses, the Receiver was forced to develop and transfer the data to a new system for which the Receiver had the necessary licenses. The conversion to the new system did not alter the underlying data.

1 WCF Lender is entitled to have this Court impose an equitable lien in the respective loan, or
2 proceeds or REO resulting therefrom, in the proportion reflected in the records of
3 Landmarc. Landmarc and the LP Lenders conducted themselves as though the LP Lender
4 had acquired an ownership interest in the underlying loan or its proceeds even though the
5 technical formalities of establishing a recorded lien (or perfected security interest) in the
6 name of the Lender were not followed. Although Landmarc's standard agreement with its
7 LP Lenders did not expressly require Landmarc to execute and record an assignment of
8 beneficial interest assigning to the LP Lender its percentage participation in the Loan, it was
9 understood by the LP Lender that such an assignment would in fact be executed and
10 recorded on their behalf. In these cases where such an assignment was not recorded, it was
11 not an intentional omission but rather the result of an oversight on Landmarc's part. *See the*
12 *Declaration of Jeff Peterson* attached hereto as Exhibit D. Additionally, the borrowers
13 conducted themselves as though a lien was established between the borrowers and whoever
14 was lending the borrowers the funds underlying the consensual liens. *See generally, In re*
15 *Farnsworth*, 384 B.R. 842 (Bankr. D. Ariz. 2008) (holding lender established equitable lien
16 on property (supplanting the homestead exemption claim of borrower) where lender and
17 debtor conducted themselves as though there was a consensual lien between them).¹⁴

18
19 ¹⁴ There the Court held, as follows:

20 An equitable lien can arise in different ways. First, in an express
21 contract, the parties can indicate an intent to charge or appropriate particular
property as security for an obligation. *S.R. Kalmanoff v. Weitz*, 8 Ariz.App. 171,
172, 444 P.2d 728, 729 (App.1968). When such an agreement exists, courts will
likely order the lien to relate back to the time of the agreement. *See In re*
Aumiller, 168 B.R. 811, 821 n. 20 (Bankr.D.Dist.Col.1994) (lien related back to

1 18. The Receiver has set forth what the percentage interest of the equitable lien
2 should be for LP Lenders in the Schedule attached to this Petition as Exhibit E¹⁵, and for
3 WCF Lenders in the Schedule attached to this Petition as Exhibit F.

4 **V. ISSUES WITH RESPECT TO SPECIFIC LOANS**

5 19. Certain loans in which LP Lenders have asserted claims are discussed
6 specifically below.

7 20. Two Six Seven Investments Loan (#08041903). On or about April 9, 2008,
8 Landmarc made a loan of \$535,000 to Two Six Seven Investments, LLC, which was
9 secured by a deed of trust on a vacant parcel of land located at 10149 E. Cavedale Drive in
10 Scottsdale (“Cavedale Property”) recorded with the Maricopa County Recorder on April 9,
11 2008, as Document No. 2008-0312840. This loan was funded by GUBINWARE (6.542%),
12 KEPESWARE (18.692%), LCPARTNER (28.037%) and SOLHEIMR (46.729%). Initially

13
14 date of execution of a deed of trust).

15 Second, an equitable lien can also arise from the parties’ conduct and
16 facts of the case from which a court may imply that it was the parties’ intention
17 to charge a particular property for the repayment of a debt. *See Holder v.*
18 *Williams*, 167 Cal.App.2d 313, 317, 334 P.2d 291, 293 (App.1959) (agreement
19 that defendants could sell property and return balance to plaintiffs evidenced an
20 equitable lien in favor of plaintiffs). In these situations, equity requires that the
21 lien relate back to when the implied agreement took place. *Id. See also Nunez v.*
Nunez, 196 B.R. 150, 153 & n. 1 (9th Cir. BAP 1996) (court imposed an
equitable lien “and stated that the lien was created at the time Appellant made
the loans to Debtor”). Thus, the parties’ intentions create the liens upon the
equitable maxims that “equity heeds substance, not form” or that “equity treats
as done that which ought to be done.” Hon. W.H. Brown, 1 THE LAW OF
DEBTORS AND CREDITORS § 9:13 (2007).

Id., at 849-850

¹⁵ The establishment of an equitable lien is only necessary for those claimed interests where the Code set forth in column K is “1h.” The other claimed interests are established by recorded deeds or assignments of beneficial interest or prior order of the Court.

1 Landmarc on May 15, 2008 recorded an assignment of 74.77% of the beneficial interest
2 under the deed of trust to LCPARTNER. On June 30, 2008, Landmarc recorded an
3 assignment of 46.729% of the beneficial interest under the deed of trust to SOLHEIMR. On
4 March 3, 2009, Landmarc acting as the attorney in fact for LCPARTNER, recorded an
5 assignment of 46.733% of the beneficial interest under the deed of trust back to Landmarc,
6 presumably in an effort to validate the earlier assignment to SOLHEIMR. No assignments
7 to KEPESWARE or to GUBINWARE were recorded. Following the borrower's default,
8 Landmarc and the borrower entered into Forbearance Agreements but the borrower has
9 failed to perform and Landmarc is now proceeding with foreclosure. Upon completion of
10 the foreclosure, the Receiver will market and sell the Cavedale Property and distribute the
11 proceeds to the interest holders in accordance with their approved percentage.

12 21. CBI Developers Cheney Drive Property (#08011873). On January 31, 2008,
13 Landmarc acquired title by Warranty Deed to vacant residential property located on East
14 Cheney Drive in Paradise Valley ("Cheney Drive Property") for a purchase price of
15 \$1,200,000 and at the same time entered into an option agreement with CBI Developers,
16 Inc. ("CBI"), under which CBI was granted the option to purchase the Property for
17 \$2,490,000 plus interest and a percentage of the profit upon sale of the Property ("Option
18 Agreement"). Cipriano Ionutescu personally guaranteed the obligations of CBI under the
19 Option Agreement. Landmarc and CBI also entered into a Memorandum of Understanding
20 which called for an interest reserve account and a construction draw account. The Option
21 Agreement required monthly payments which were made for several months from an

1 interest reserve account before CBI defaulted. It does not appear that CBI ever exercised its
2 option to purchase the Property under the Option Agreement which expired by its terms on
3 July 31, 2009. According to Landmarc's records, the Cheney Drive Property and the
4 agreements were funded and beneficially owned by GUBINWARE (53.04%), TBM
5 (20.87%), LazyE (5.22%), MURRAYWARE (2.69%), DESERTTRAI (7.82%), HAYDEN
6 (5.41%), KEPESWARE (3.98%), Landmarc (.71%), and WHITEWARE (.26%). On March
7 4, 2008, Landmarc recorded a Quitclaim Deed conveying title to the Cheney Drive Property
8 as follows: 83.936% to Landmarc and 16.064% to TBM. The Receiver has listed the
9 Cheney Drive Property for sale. The confirmation of the unrecorded interests in the Cheney
10 Drive Property will need to be resolved by further order of the Court.¹⁶

11 22. CBI Developers Bell Rd. Loan (#08081970). On or about October 31, 2007,
12 Landmarc made a construction loan of \$1,377,000 to CBI Developers, Inc. (#07101823),
13 which was secured by a deed of trust on commercial property located at the southwest
14 corner of 17th Street and Bell Road in Phoenix ("Bell Road Property"). On April 30, 2008,
15 the loan was modified to increase the principal balance to \$1,553,500 and a modification fee
16 of \$50,000 was charged but not paid at that time. In August 2008, this loan was refinanced
17 and a new loan (#08081970) for \$1,750,000 was made to CBI, which included funding to
18 pay the balance owed under the first loan including the accrued and unpaid interest, the
19 unpaid loan modification fee, and the loan charges associated with the new loan. Landmarc
20 recorded assignments of the deed of trust for this loan as follows: LCPARTNER (57.73%),
21

¹⁶ See Petition No. 43, paragraphs 46 through 48.

1 LazyE (0.57%), and LDMPENS (0.857%), leaving Landmarc with 40.84%. However,
2 Landmarc's records indicate that the funding and beneficial ownership of this loan was as
3 follows: LCPARTNER (90.08%), KEPESWARE (3.28%), WHITEWARE (1.91%),
4 LDMPENS (0.98%), LazyE (0.66%), DESERTTRAI (1.05%), and GUBINWARE (2.04%).
5 The borrower subsequently defaulted and Landmarc foreclosed resulting in a Trustee's
6 Deed recorded on January 29, 2010, conveying title consistent with the recorded
7 assignments as follows: Landmarc (40.843%), LCPARTNER (57.73%), LazyE (.57%),
8 LDMPENS (0.857%). The Receiver has listed the Bell Road Property for sale and once it is
9 sold, the Receiver recommends distribution of the net sale proceeds as follows:
10 KEPESWARE (3.28%), WHITEWARE (1.91%), the Receiver as assignee of LazyE
11 (0.66%), GUBINWARE (2.04%), LCPARTNER (90.08%), DESERTTRAI (1.05%), and
12 LDMPENS (0.98%).

13 23. 4405 Speedway, LLC/Vassious Loan (#08081976). On or about September
14 10, 2008, Landmarc made a loan of \$1,440,000 to 4405 Speedway, LLC, which was secured
15 by a first position deed of trust on commercial property in Pima County recorded with the
16 Pima County Recorder on September 10, 2008, as Document No. 2008-1760484. This loan
17 refinanced an earlier loan from Landmarc to Peter and Evangelos Vassious and their
18 spouses. The borrower threatened bankruptcy or litigation over alleged wrongdoing by
19 Landmarc and therefore the Receiver and the beneficial owners negotiated a settlement and
20
21

1 loan modification¹⁷. It appears that the original loan to Vassious may not have been fully
 2 funded and as a result it appears that this loan was short funded by approximately \$12,500.
 3 As was its practice, Landmarc allocated in LMS to itself the beneficial ownership of this
 4 unfunded portion of the loan. Given the relatively immaterial amount of this apparent short
 5 funding the Receiver has not completed a forensic investigation to confirm the short funding
 6 but instead recommends that each participant's interest be recalculated as indicated below:

Lender	Per LMS		Recalculation by Receiver	
	Amount	%	Amount	%
LCPARTNER	775,828	53.877%	775,828	54.349%
KEPESWARE	237,168	16.470%	237,168	16.614%
GUBINWARE	210,137	14.593%	210,137	14.721%
WHITEWARE	48,514	3.369%	48,514	3.399%
LazyE ¹⁸	134,006	9.306%	134,006	9.387%
DESERTTRAI	21,847	1.517%	21,847	1.530%
Landmarc2	12,500	0.868%	0	0.000%
	1,440,000	100.000%	1,427,500	100.000%

24. Fera Loan (#07051074). On or about May 23, 2007, Landmarc loaned
 \$146,900 to Cynthia Fera, which was secured by a deed of trust on a single family residence
 located at 8591 North 107th Drive, Peoria ("107th Drive Property") recorded with the
 Maricopa County Recorder on May 29, 2007 at 2007-0618665. The borrower defaulted and
 Landmarc foreclosed resulting in the recording on December 30, 2010, of a *Trustee's Deed*

¹⁷ The settlement and loan modification is pending approval of the Court under the Receiver's *Petition No. 60, Petition for Approval of Settlement Agreement Between 4405 West Speedway, LLC, Peter and Spiridoula Vassious, Evangelos and Ina Vassious, Landmarc Capital Partners, LLC, Landmarc Capital & Investment Company, Desert Trails Holdings LLC, The Wesley and Marlene White Trust, Madelene Kepes, and The Gubin Family Trust.*

¹⁸ The interests of LazyE in this and other loans and REO were acquired by the Receiver pursuant to the Court's *Order Re: Petition No. 35* entered on November 9, 2010.

1 Upon Sale conveying title to LCPARTNER (68.32%) and to DEEM (31.68%). The claim
2 filed by the borrower alleging defects in the foreclosure process was denied by this Court's
3 Order No. 52 Denying Claim by Cynthia Fera Re: Petition No. 52, entered on December 13,
4 2011. The Receiver, DEEM and LCPARTNER subsequently entered into an agreement
5 whereby DEEM sold her interest to LCPARTNER for \$21,000 and title and control of the
6 107th Drive Property was conveyed to LCPARTNER. Accordingly, the Receiver
7 recommends that the Court confirm Partner's interest in entire fee title to the 107th Drive
8 Property.

9 25. Gilder Loan (#07041012). On or about April 30, 2007, Landmarc loaned
10 \$63,000, which was secured by a deed of trust on residential condominium located at 4112
11 N. 69th Lane, Phoenix ("69th Lane Property"). The borrower subsequently defaulted and
12 Landmarc foreclosed. The Trustee's Deed conveying all of the fee title to Hagen was
13 recorded with the Maricopa County Recorder on March 6, 2008 at Document No. 2008-
14 0199631. Hagen has claimed 100% beneficial interest in the 69th Lane Property although
15 LMS¹⁹ indicates that Hayden acquired 55.556% of Hagen's interest. The Receiver has
16 determined that the current value of Hayden's apparent interest is not sufficient to justify an
17 investigation to determine whether Hayden paid Hagen fair value for the interest and
18 therefore the Receiver has recommended herein that Hagen's claim to 100% of the 69th Lane
19 Property be confirmed and that any interest of Hayden be abandoned.

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¹⁹ See footnote 13.

1 26. Lehman Loan (#07030953). On or about March 21, 2007, Landmarc loaned
2 \$169,950.00, which was secured by a deed of trust on a single family residence located at
3 10150 N. Poquito Valley Road in Prescott Valley (“Poquito Road Property”) recorded with
4 the Yavapai County Recorder on March 22, 2007 at Book 4491, Page 508. The Borrower
5 defaulted and Landmarc foreclosed resulting in the recording of a Trustee’s Deed on March
6 26, 2008, conveying title to Landmarc. Effective September 1, 2008, Landmarc entered into
7 a two year agreement with Allan Sobol to lease the Poquito Road Property to Sobol with an
8 option to purchase the Property for \$274,000. This agreement has expired and the Receiver
9 listed and sold the Poquito Road Property, which was approved by the Court’s *Order Re:*
10 *Petition No. 57*. Once the unrecorded interests in the Poquito Road Property have been
11 confirmed by the Court, the sale proceeds will be distributed accordingly. The Receiver
12 recommends that the following claimed beneficial interests in this loan be approved:

<u>Lender</u>	<u>Recommended % by the Receiver</u>
LazyE ²⁰	74.20%
MURRAYWARE	11.78%
HAYDEN	12.25%
WHITEWARE	1.77%
	<hr/>
	100.00%

18 27. Stewart Loan (#07111829). On or about December 6, 2007, Landmarc made
19 a loan in the principal amount of \$2,460,000, which was secured by a deed of trust on a
20 single family residence located in Paradise Valley (“Paradise Valley Property”). The
21

²⁰ See footnote 18.

1 borrower subsequently defaulted and filed bankruptcy. After obtaining an order lifting the
 2 automatic stay, Landmarc foreclosed and took title to the Paradise Valley Property. The
 3 Receiver was able to sell the Paradise Valley Property, which sale was approved by the
 4 Court's *Order Re: Petition No. 14* entered on April 26, 2010. The sale of the Paradise
 5 Valley Property resulted in the Receiver receiving net sale proceeds of \$640,787.33 and
 6 under *Order Re: Petition No. 14* certain interests of Landmarc's lenders attached to the net
 7 sale proceeds, including TBM's claimed security interest. The net sale proceeds are
 8 presently held by the Receiver in a segregated interest bearing trust account.

9 The Stewart loan appears to have been short funded and only \$1,638,449 of actual
 10 funding occurred. As was Landmarc's practice, the short funding was allocated to
 11 Landmarc so the Receiver has recalculated the respective interests of the lenders in this loan
 12 to reallocate percentage ownership based upon the percentages of actual funding provided.
 13 Prior to foreclosing on this loan the Receiver attempted to modify the loan with the
 14 borrower to reflect the actual amount of the loan that was funded but the borrower was
 15 unwilling to agree to the modification probably because the Paradise Valley Property was
 16 no longer worth the amount of the proposed modified loan.

<u>Lender</u>	<u>Per LMS</u>		<u>Recalculation by Receiver</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
TBM	1,393,800	56.66%	1,393,800	85.07%
LCPARTNER	128,471	5.22%	128,471	7.84%
Landmarc	937,729	38.12%	116,178	7.09%
	<u>2,460,000</u>	<u>100.00%</u>	<u>1,638,449</u>	<u>100.00%</u>

1 28. Horning Loan (#06050372). On or about June 1, 2006, Landmarc made a loan
2 for \$640,000, which was secured by a deed of trust on a single family residence located at
3 350 East Cypress Street in Gilbert (“Cypress Street Property”). Various lenders acquired
4 interests in the loan and assignments to those lenders were executed and recorded by
5 Landmarc. After the borrower subsequently defaulted, Landmarc recorded an assignment
6 back to itself of the previously recorded interests relying on its power of attorney, and then
7 foreclosed on the Property. The Trustee’s Deed recorded on July 12, 2007, conveyed title to
8 Landmarc. Although Landmarc held fee title to the Property on the Receivership Date,
9 LMS indicates that as of that date the loan was beneficially owned by KEPESWARE
10 (11.56%), the Receiver as assignee of Stoneman (58.59%), RUSSO (14.06%), CRAIGOW
11 (11.1%), and SNEED (4.69%). Following the foreclosure Landmarc entered into an Option
12 Agreement granting Brandon and Barbara Farrow an option to purchase the Cypress Street
13 Property for \$415,000 through November 1, 2010. On August 1, 2010, the option
14 agreement was extended by the Receiver through April 31, 2012, in exchange for an option
15 payment of \$6,000 and monthly payments thereafter of \$1,600 per month. In this Court’s
16 *Order No. 43*, the interest of Stoneman was confirmed based on the recorded *Notice of Lis*
17 *Pendens* and lawsuit it had filed prior to the receivership, and the interest of KEPESWARE
18 was deferred until this Petition. If the option to purchase is not exercised the Receiver will
19 extend the option or list the Cypress Street Property for sale. Pursuant to the Court’s *Order*
20 *Re: Petition No. 35* entered on November 9, 2010, the Receiver acquired all of the interests
21 of the following WCF Lenders in 20 of Landmarc’s loans and REO: Lazy E, LLC, an

1 Arizona limited liability company (“Lazy E”), Stoneman Properties, LLC, an Arizona
2 limited liability company (“Stoneman Properties”) and SEM Investments, LLC, an Arizona
3 limited liability company (“SEM”). These interests were confirmed by the Court in its
4 *Order No. 43*. The net sale proceeds derived from the option payments and sale will be
5 distributed to the WCF Lenders and LP Lenders whose interests have been confirmed by the
6 Court. If the option is exercised, the net sale proceeds will be distributed in the same
7 manner.

8 29. Bos Loan (#06070546). On or about August 21, 2006, Landmarc made a loan
9 of \$50,000, which was secured by a first position deed of trust on a residential property
10 located at 9630 West Picture Rocks Road in Tucson (“Property”) under a deed of trust
11 recorded with the Pima County Recorder on August 21, 2006 as Document No. 2006-
12 1610856. According to LMS²¹, this loan was originally funded by Dr. Marc Kay, however,
13 his interest was later acquired by two other LP Lenders: Balfour acquired an 80.12% interest
14 and Jamieson acquired a 19.88% interest. Initially an assignment to Kay of 100% of the
15 beneficial interest in the loan was recorded by Landmarc with the Pima County Recorder.
16 Later when Kay’s interest was acquired by Balfour and Jamieson, Landmarc recorded
17 assignments purporting to assign beneficial ownership of the loan from Landmarc to Balfour
18 (80.1%) and to Jamieson (19.9%). However, since Landmarc failed to obtain an assignment
19 back from Kay, the assignments to Balfour and Jamieson were of no effect. Kay has not
20 filed a claim to this loan and the Receiver has requested that Kay execute an assignment

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²¹ See footnote 13.

1 back to Landmarc. The final disposition of this loan to Balfour and Jamieson will require
2 that either Kay provide an assignment back to Landmarc or an order of the Court vesting the
3 claimants with clear title.

4 30. Poirier/Westend Investments, LLC Loan (#06030207). On or about April 18,
5 2006, Landmarc loaned \$2,500,000 to Westend Investment, LLC, which was secured by
6 663.85 acres of vacant rural land located near Mayer, Arizona (“Mayer Property”) under a
7 deed of trust recorded with the Yavapai County Recorder on April 27, 2006 at Book 4389,
8 Page 331. Apparently the loan was initially funded entirely by Schupak since Landmarc
9 recorded an assignment of all of the interest under the deed of trust to Schupak on April 27,
10 2006 at Book 4389, Page 332. According to LMS²², 50% of the interest in the loan was
11 subsequently purchased from Schupak by other lenders resulting in beneficial ownership of
12 the loan being held as follows: Schupak (50%); GUBINWARE (30.6%); WHITEWARE
13 (8.8%), DESERTTRAI (4.8%), STATION (3.2%), and the Receiver as assignee of LazyE
14 (2.6%). The Receiver has recommended approval of interests in these percentages. The
15 borrower defaulted and Landmarc foreclosed resulting in a Trustee’s Deed Upon Sale being
16 recorded on December 7, 2007, conveying fee title to Landmarc (50%) and Schupak (50%).
17 The Receiver intends to market and sell the Mayer Property and distribute the net sale
18 proceeds according to the interests approved by the Court.

19 31. DMH Investments, LLC (Hinson) Loan (#06070507). On or about August 2,
20 2006, Landmarc made a loan for \$525,000, which was secured by a first deed of trust on a
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²² See footnote 13.

1 commercial property located at 14819 N. Cave Creek Road in Phoenix (“Cave Creek
2 Property”). The borrower subsequently defaulted and Landmarc foreclosed and the
3 Trustee’s Deed recorded on June 9, 2008, conveyed title to Landmarc. On November 19,
4 2008, Landmarc recorded a Quit Claim Deed conveying 43% fee title to Landmarc and 57%
5 to LDM Acceptance Company (“LDMACCEPT”) (LDMACCEPT held a 57.14% interest in
6 the loan). Although title to the REO is vested in Landmarc (43%) and LDMACCEPT
7 (57%), the following LP and WCF Lenders held interests in the loan: LDMACCEPT
8 (57.14%); KEPESWARE (4.76%); GUBINWARE (38.1%). No portion of the fee title has
9 been vested in KEPESWARE or GUBINWARE. On August 9, 2010, the Receiver entered
10 into a commercial lease agreement with several individuals for the lease of a certain portion
11 of the Cave Creek Property through July 31, 2012. The lessee subsequently defaulted and
12 the Receiver took possession of the Property and is in the process of marketing it for sale.
13 This Petition seeks the confirmation of the beneficial interests in the Cave Creek Property
14 and the net sale proceeds derived therefrom.

15 32. Brinton Loans (#06090669 & 06110808). On or about October 26, 2006,
16 Landmarc made a loan of \$90,000, loan number 06090669 (“1st DOT Loan”), which was
17 secured by a first deed of trust on three parcels of land in Casa Grande (“Casa Grande
18 Property”) recorded with the Pinal County Recorder on November 3, 2006 at No. 2006-
19 154002. All of the beneficial interest in the 1st DOT Loan was eventually acquired by
20 FRIEDMAN. A few weeks after the 1st DOT Loan was made, Landmarc loaned an
21 additional \$6,800 to the same borrower (“2nd DOT Loan”) which was secured by a second

1 position deed of trust on the Casa Grande Property. Initially, the beneficial interest in the
2 2nd DOT Loan was held by one of Landmarc's lenders, KRUGLICK. On December 19,
3 2007, Landmarc recorded an assignment of 26.4% of the beneficial interest in the 1st DOT
4 to LDMACCEPT. At or about the same time the borrower defaulted, and on March 6, 2008,
5 the Trustee under the 1st DOT recorded a Notice of Trustee Sale reflecting LDMACCEPT
6 (26.4%) and Landmarc (73.6%) as the beneficial owners. Following the trustee sale, a
7 Trustee's Deed was recorded on June 20, 2008, vesting fee title with LDMACCEPT
8 (26.4%) and Landmarc (73.6%). For unknown reasons, Landmarc recorded the assignment
9 to LDMACCEPT resulting in the vesting of 26.4% in fee title with LDMACCEPT even
10 though according to the records of Landmarc, LDMACCEPT had never acquired an interest
11 in the 1st DOT Loan. According to Landmarc's records all of the beneficial interest in the
12 2nd DOT Loan (which had been wiped out as a result of the foreclosure of the 1st DOT Loan)
13 was transferred from KRUGLICK to LDMACCEPT on July 14, 2008. Because the fee title
14 vested in LDMACCEPT appears to be without consideration and that any interest it may
15 have acquired from KRUGLICK in the 2nd DOT Loan was extinguished, the Receiver
16 recommends that FRIEDMAN be confirmed as the sole owner of the 1st DOT Loan, and that
17 the Receiver and LDMACCEPT be directed to convey all right title and interest in the Casa
18 Grande Property to FRIEDMAN.

19 33. Presidio West Loans.

20 a. Introduction. Beginning in 2006, Landmarc made a progression of
21 loans to a group of developers ("Presidio West Borrowers") secured by

1 approximately 244 acres of vacant land located just West of Flagstaff between
2 Interstate 40 and U.S. Highway Route 66 in Coconino County (“Presidio West
3 Tract”).²³

4 b. Loan from Pacific Coach. On or about April 25, 2006, a deed of trust
5 was recorded with the Coconino County Recorder at Doc. 3381234, purporting to
6 partially secure a loan of \$14,250,000 from Pacific Coach, Inc. to Premiere
7 Acquisitions, LLC and Luxury Lofts, LLC, with nearly all of the Presidio West Tract
8 (“Pacific Coach DOT”). For unknown reasons at the time Landmarc made its first
9 loan to the Presidio West Borrowers the Pacific Coach DOT was not released. At the
10 request of the Receiver, a *Deed of Release and Reconveyance* was recorded by the
11 Trustee under the Pacific Coach DOT on October 31, 2011.

12 c. First Two Landmarc Loans

13 (1) Loan No. 06100775 to Presidio West, LLC. The first loan made
14 by Landmarc was a loan of \$9.5 million on October 20, 2006, to a limited
15 liability company created by the Presidio West Borrowers, Presidio West,
16

17
18 ²³ The property is identified in one of the original appraisals obtained by Landmarc and dated
19 9/11/06, as including the following six parcels, Nos. 116-04-001H (74.4 acres), 116-04-007B (3.02
20 acres), 112-01-018A (102.46 acres), 112-01-006 (14.24 acres), 112-01-004 (12.0 acres), and 112-
21 01-001B (40.27 acres). This appraisal only addresses 197 acres of the 244 acres. This appears to be
the property which was covered by the loan to Presidio 197, LLC for \$14.5 million. According to
Huish’s 2008 appraisal in connection with the loan to Presidio 197, LLC, the 197 acres has been
redesignated as parcel numbers 112-01-020 and 112-01-021. According to the appraisal by Huish
regarding the loan to Presidio West 37, LLC, a new parcel number 112-01-019 was created for the
36.94 acre parcel serving as collateral for that loan. Neibling in his 2010 appraisal identifies the
Presidio 37 parcel as number 122-68-019.

1 LLC²⁴ (Loan No. 06100775). This loan was secured by the entire 244 acres of
2 the Presidio West Tract under a deed of trust recorded on October 23, 2006 as
3 Document No. 3408716 (“1st LCI DOT”). According to Landmarc’s records,
4 no less than 14 of Landmarc’s lenders acquired a portion of Landmarc’s
5 interest in this loan, including 1031 Exchange Partners, LLC, Barry and
6 Deborah Wiss, MANNY, STILLRIVER, Arizona Premium Finance Co. Inc.,
7 GUBINWARE, DVHMGMT, COHEN1, DESERTTRAI, KEPESWARE, I &
8 J Holdings, LLC, MURRAYWARE, The Eugene and Leonore Schupak
9 Family Trust (as predecessor to TBM), and LITCHFIELD. This 1st LCI DOT
10 was released by a *Deed of Partial Release and Partial Reconveyance* recorded
11 on January 18, 2007 and a *Deed of Release and Full Reconveyance* recorded
12 on January 8, 2008.

13 (2) Loan No. 07030964 to Presidio West, LLC. Approximately six
14 months later, Landmarc refinanced Loan No. 06100775 with a new loan for
15 \$14.2 million to Presidio West, LLC (Loan No. 07030964). This loan was
16 also secured by the entire 244 acres of the Presidio West Tract under a deed of
17 trust recorded on April 17, 2007 as Document No. 3434726 (“2nd LCI DOT”).
18 According to Landmarc’s records, no less than 22 of Landmarc’s lenders
19 acquired a portion of Landmarc’s interest in this loan, including
20 WALKERTON, KEPESWARE, GUBINWARE, TBM, Barry and Deborah

21 ²⁴ This loan was guaranteed by three principals in Presidio West, LLC, Shawn Campbell, Clem Stubstad, and Tom Krause.

1 Wiss, LCPARTNERS, JUTZI, MANNY, HUNGRY, DESERTTRAI,
2 LDMACCEPT, HAYDEN, LDMPENS, WHITEFISH, Stoneman, I & J
3 Holdings, LLC, STILLRIVER, MURRAYWARE, DVHMGMT, COHENI,
4 and Litchfield.²⁵ The 2nd LCI DOT has never been released.

5 d. Final Landmarc Loans.

6 (1) Background. In December 2007, Landmarc refinanced Loan
7 No. 07030964 with two new loans totaling \$17.3 million. These two loans are
8 described below and were secured by approximately 37 and 197 acres
9 respectively. For unknown reasons, 10 of the original 244 acres which served
10 as the security for the first loans, was not included in the deeds of trust for the
11 two new loans.

12 (2) Loan No. 07121849 to Presidio West 37, LLC. On or about
13 December 27, 2007, Landmarc loaned \$2,800,000 to Presidio West 37, LLC
14 which was secured by approximately 37 acres of the Presidio West Tract
15 under a Deed of Trust recorded with the Coconino County Recorder on
16 December 31, 2007 as Document No. 3471152. According to LMS, this loan
17 was beneficially owned as of the Receivership Date, as follows:

<u>Lender</u>	<u>Percentage</u> ²⁶
TBM	53.46%

21 ²⁵ An additional three of Landmarc's lenders acquired an interest in Loan No. 07030964, although
it appears that their interests were acquired by one or more of the lenders identified above.

²⁶ The percentage of beneficial ownership is rounded to the nearest one hundredth.

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DESERTTRAI	13.39%
HAYDEN	13.62%
GUBINWARE	9.11%
WISS	7.92%
MANNY	2.50%

No assignments of beneficial interest were recorded for any of these interests. Following the borrower's default, Landmarc foreclosed and the Trustee's Deed conveyed title to Thomas Giallanza as deputy receiver of Landmarc. The Receiver has listed the property for sale and although the Receiver has received several offers none have been acceptable. Once the property is sold, the Receiver recommends that the net sale proceeds be distributed to the beneficial owners in the percentages approved by the Court as recommended herein.

(3) Loan No. 07121853 to Presidio West 197, LLC. On or about December 27, 2007, Landmarc loaned \$14,500,000 to Presidio West 197, LLC, which was secured by approximately 197 acres of the Presidio West Tract under a Deed of Trust recorded with the Coconino County Recorder on December 31, 2007 as Document No. 3471146. According to LMS, this loan was beneficially owned as of the Receivership Date, as follows:

<u>Lender</u>	<u>Percentage</u> ²⁷
MONTEREY	50.00%
LCPARTNER	16.36%
TBM	11.16%
LDMPENS	9.61%
COHEN1	3.66%
DVHMGMT	3.45%
LDMACCEPT	2.22%
DESERTTRAI	2.16%
GUBINWARE	1.38%

Assignments of beneficial interest were recorded for the interest acquired by MONTEREY (50%)²⁸, TBM (11.157%)²⁹, DVHMGMT (3.44%)³⁰, and LCPARTNER (16.36%)³¹, but not for the others. The borrower subsequently defaulted and on September 9, 2008, an involuntary

²⁷ The percentage of beneficial ownership is rounded to the nearest one hundredth with any rounding amounts allocated to DESERTTRAI.

²⁸ An *Assignment of Deed of Trust* was recorded on December 31, 2007 (Doc #3471147), assigning a 50% participation interest in the Presidio West 197 Loan to MONTEREY.

²⁹ An *Assignment of Deed of Trust* was recorded on June 17, 2009 (Doc #3528112), assigning a 11.157% participation interest in the Presidio West 197 Loan to TBM. A second *Assignment of Deed of Trust* was recorded on June 17, 2009 (Doc #3528113), purporting to assign another 11.157% participation interest in the Presidio West 197 Loan to TBM. This last assignment appears to be erroneous since the records of Landmarc show that TBM funded 11.157% of this loan.

³⁰ An *Assignment of Deed of Trust* was recorded on March 10, 2008 (Doc #3478865), assigning a 3.44% participation interest in the Presidio West 197 Loan to DVHMGMT.

³¹ An *Assignment of Deed of Trust* was recorded on March 27, 2008 (Doc #3480888), assigning a 2.62% participation interest in the Presidio West 197 Loan to LCPARTNER and an *Assignment of Deed of Trust* was recorded on March 27, 2008 (Doc #3480889), assigning a 13.74% participation interest in the Presidio West 197 Loan to LCPARTNER.

1 bankruptcy petition was filed on the borrower by several of its creditors.
2 MONTEREY assumed the role as administrator of the loan and filed a motion
3 in bankruptcy court to lift the automatic stay. An order granting the motion
4 was entered on June 24, 2009. MONTEREY then proceeded to foreclose the
5 deed of trust which resulted in the issuance of a Trustee's Deed vesting
6 MONTEREY and Landmarc with 50% fee title each which was recorded on
7 August 11, 2009. TBM claims that MONTEREY's foreclosure and the
8 resulting Trustee's Deed are erroneous because of defective notice and the
9 failure of the Trustee's Deed to vest all record beneficiaries.

10 MONTEREY entered into a LP Agreement with Landmarc like many
11 used by Landmarc. The agreement provided for the sale to MONTEREY of
12 50% ratable participation in the Loan and included a provision that stated that
13 "Landmarc's interest in the Loan and MONTEREY's interest shall be ratably
14 concurrent and neither shall have priority over the other." Under the
15 agreement Landmarc was to administer the loan, subject to certain conditions.
16 Once the borrower defaulted under the loan, Landmarc and MONTEREY
17 amended the terms of MONTEREY's participation by entering into a First
18 Amendment to Loan Participation Agreement, which among other things
19 provided that MONTEREY would have the exclusive right to pursue
20 enforcement actions against the borrower or guarantors. This amendment was
21 apparently entered into by Landmarc without the knowledge or consent of the

1 other lenders who had acquired a participation interest in the Presidio 197
2 loan. Neither the LP Agreement nor the First Amendment grant either party a
3 security interest in the other's ownership share to secure payment of that
4 party's obligation to pay for one half of the enforcement costs.

5 Prior to instituting foreclosure on the DOT, MONTEREY purchased a
6 Trustee's Sale Guarantee from Transnation Title Insurance Company
7 ("Transnation TSG"). The Transnation TSG indicated that the prior loan that
8 had been refinanced by Loan No. 07121853, had not been released by the
9 recordation of a release of the deed of trust. Fidelity National Title Insurance
10 Company had issued the lenders title policy for Loan No. 07121853, which
11 had insured the loan for things such as the unreleased deed of trust.
12 Apparently for this reason, MONTEREY went to Fidelity and obtained
13 another Trustee's Sale Guarantee ("Fidelity TSG") which did not include as
14 an exception the prior unreleased deed of trust.

15 e. Resolution of Title Issues. The Receiver has completed his
16 investigation of the funding of the second two Presidio Loans and has determined
17 that each Lender with an interest in the 2nd LCI DOT (Loan No. 07030964), had their
18 interest in that loan replaced by an interest of equivalent value (in the face amount) in
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1 one or both of the second two Presidio Loans, or some other loan, or was paid cash
2 for the interest, or a combination of these.³²

3 MONTEREY has asked that the Receiver execute and record a release of the
4 2nd LCI DOT, however, TBM opposes that request because of the alleged defects in
5 the foreclosure and believes that its interests have not been fully protected in the title
6 to the Presidio 197 Property. Although the other beneficial owners in the Presidio
7 197 Property have not yet been made a party to these discussions, they will likely
8 agree with TBM's position. In order to avoid protracted and costly litigation,
9 MONTEREY and the Receiver and TBM have engaged in discussions on a possible
10 global resolution of this matter. That process will likely take several more weeks and
11 the final resolution of the issues on the disposition of the Presidio 197 Property
12 should be deferred for now, except as provided in subparagraph f below.

13 f. Confirmation of Percentage Interests. To the extent not already
14 confirmed by the Court's *Order Re: Petition No. 43*, the Receiver recommends that
15 the Court confirm the interests in Loan No. 07121849 and Loan No. 07121853 as set
16 forth in the attached Exhibits E and F.

17 VI. ADVERSE CLAIMS

18 34. Several claims are potentially adverse to the interests in loans and REO
19 claimed by the LP Lenders and WCF Lenders addressed in this Petition, including claims
20

21 ³² The two new loans did not include 10 of the original 244 acres covered by the 2nd LCI DOT, so the security for the two new loans provided to the carryover lenders was less than they enjoyed under the 2nd LCI DOT.

1 filed by county treasurers, homeowners associations, borrowers, and one third party
 2 claiming a priority lien to the deed of trust recorded by Landmarc.

3 **A. Claims for Unpaid Real Estate Taxes**

4 35. Real estate taxes are liens on the real estate that are superior to the lien created
 5 by the deed of trust recorded by Landmarc. The following taxing authorities have filed
 6 claims for real estate taxes owed on property which is the subject of this Petition:

<u>Claim No.</u>	<u>Claimant</u>	<u>Loan No.</u>	<u>Amount</u>	<u>Lender</u>
7094	Coconino County	07121849	\$49,431.95	TBM GUBINWARE DESERTTRA HAYDEN MANNY WISS
8035	Maricopa County	Various	\$482,336.22	BALFOUR2 CRAIGOW DESERTTRAI EMPIRE FRIEDMAN HAYDEN HOOKERS KEPESENTRU LCPARTNER LDMPENS RUSSO SNEED VANBLADEL
8142/8548/ 8549	Pima County	07081204	\$12,974.34	DESERTTRAI EMPIRE

18 36. Claim number 7094 filed by Coconino County relates to the REO held in the
 19 name of Landmarc relating to the loan to Presidio West 37, LLC. This property is being
 20
 21

1 marketed for sale and upon sale, all accrued and unpaid real estate taxes will be paid from
2 the sale proceeds.

3 37. Claim number 8035 filed by Maricopa County relates to a large number of
4 parcels titled in the name of Landmarc or one of the other receivership entities. These real
5 estate taxes become the responsibility of the beneficial owner once it takes possession of the
6 REO, or if the Receiver sells or has sold the REO, the real estate taxes are paid at the time of
7 closing.

8 38. Claim numbers 8142, 8548 and 8549 filed by Pima County relates to an REO
9 held in the name of Landmarc relating to the Frazier loan (#07081204). This property was
10 sold by the Receiver on November 10, 2010, and the sale was approved by the Court's
11 *Order Re: Petition No. 32*. All of the real estate taxes covered by these three claims were
12 paid out of escrow upon closing of this sale.

13 **B. Claims for Unpaid Assessments Owed to Homeowners Associations**

14 39. Assessments to homeowners associations are liens on the real property ("HOA
15 Lien") but are subordinate to the first deeds of trust recorded by Landmarc. A.R.S. §33-1807
16 and §33-1256. The foreclosure of Landmarc's deed of trust extinguishes the HOA Lien on
17 the property. However, once Landmarc or the beneficial owners have foreclosed and taken
18 title to the property, the assessments that accrue from that date forward are liens on the
19 property. Six claims filed by homeowners associations appear to be adverse to the
20 following interests claimed by the LP Lenders and WCF Lenders:
21

<u>Claim No.</u>	<u>Claimant</u>	<u>Loan No.</u>	<u>Amount</u>	<u>Lender</u>
8432	Los Arroyos del Oeste HOA ³³	08021885	\$1,678.20	LCPARTNER
8425	Power Ranch Community Ass'n	06080624	\$3,814.62	LDMPENS
8428	Johnson Ranch Community Ass'n	06090668	\$1,362.00	VOGEL
8429	La Place Du Sommet HOA ³⁴	08011873	\$14,676.06	GUBINWARE KEPESWARE LazyE MURRAYWARE SEM TBM WHITEWARE DESERTTRAI HAYDEN
8430	Laughlin Ranch Owners Ass'n	LC050823	\$5,117.25	HAYDEN
8556	Laughlin Ranch Owners Ass'n	LC050824	\$5,117.25	DESERTTRAI

40. To the extent that funds are available to the Receiver (*i.e.* from rental income or deposits made by beneficial owners with available resources), the current assessments of the associations are paid as they become due. However, where funds are not available, the assessments and other charges that constitute a valid lien on the property will be paid at the time the property is sold.

³³ The property securing this loan was sold and the secured lien of the HOA paid pursuant to the Court's *Order Re: Petition No. 47* entered on August 2, 2011.

³⁴ This claim includes a claim for future assessments and other charges that are a lien on the property.

1 41. Claim number 8425 filed by Power Ranch Community Ass'n relates to
2 property located at 3962 East Timberline Road in Gilbert (Loan No. 06080624). This loan
3 has been charged off due to the foreclosure of the first deed of trust held by Beneficial
4 Mortgage Co. of Arizona on March 22, 2010. The foreclosure by the first deed of trust
5 extinguished any interest Landmarc or its Lender had in the property and any further
6 obligation to the association. Therefore there is no need to address the claim of the
7 association here, and the Receiver will file a subsequent petition to address the nature and
8 amount, if any, owed by Landmarc or its Lender on this claim.

9 42. Claim number 8432 filed by Los Arroyos del Oeste HOA relates to property
10 located at 2092 N. Whispering Bells Dr. in Tucson (Loan No. 08021885). This property
11 was sold and the obligations to the homeowners association were paid from the sale
12 proceeds. Accordingly, the Receiver will in a subsequent petition recommend that this
13 claim be denied as having been satisfied.

14 43. Claim number 8428 filed by Johnson Ranch Community Association relates to
15 property located at 1022 E. Renegade Trail in Queen Creek (Loan No. 06090668). Lisa
16 Vogel acquired a 100% participation interest in this loan ("VOGEL"). The borrower
17 subsequently defaulted and on March 13, 2009, a trustee sale was held pursuant to the Deed
18 of Trust on the Property and a Trustee's Deed Upon Sale was recorded on March 20, 2009
19 vesting fee title in Landmarc. At the request of VOGEL, Landmarc executed and on June
20 17, 2009, recorded a Quit Claim Deed (document number 2009-06154 in the records of the
21 Pinal County Recorder) conveying 99% fee title to 1022 E. Renegade Trail, LLC, an

1 Arizona limited liability company owned by VOGEL, and 1% fee title to Landmarc. The
2 1% interest held by Landmarc was subsequently sold by the Receiver to VOGEL's limited
3 liability company pursuant to this Court's *Order Re: Petition No. 24* entered on August 6,
4 2010. In connection with this sale of Landmarc's interest, the Receiver has been informed
5 that the obligations to Johnson Ranch which are the basis of its claim, have been fully
6 satisfied. Since neither the Beneficial Owner nor her limited liability company have filed a
7 claim, there is no need to address the association's claim here, however, the Receiver will in
8 a subsequent petition recommend that this claim be denied as having been satisfied.

9 44. Claim number 8429 filed by La Place Du Sommet Homeowners Association,
10 Inc. relates to property located at 5744 E. Cheney Dr, Paradise Valley (Loan No.
11 08011873). This property is being marketed for sale. The post-receivership assessments
12 have been paid and the remaining obligations to the homeowners association that are a valid
13 lien on the property will be paid from the proceeds of sale. Unless all claimed amounts are
14 paid at the time of sale the Receiver will in a subsequent petition make recommendations
15 regarding this claim.

16 45. Claim numbers 8430 and 8556 filed by Laughlin Ranch Owners Association
17 relate to lots 11 and 12 respectively in Laughlin Ranch, Bullhead City. Landmarc acquired
18 title to those lots in 2006 following a foreclosure sale. The association filed a claim for
19 assessments due and owing on these lots through August 26, 2010. The Receiver sold the
20 lots and the assessments owed to the Association were paid in full from escrow.

21

1 Accordingly, the Receiver will in a subsequent petition recommend that these two claims be
2 denied as having been satisfied.

3 **C. Claims by Borrowers**

4 46. The following claims filed by borrowers³⁵ relate to loans or REO in which
5 certain LP Lenders and WCF Lenders have claimed an interest as indicated below.

6 However, except for the claim and lawsuit filed by Vicki Thompson, none of these claims
7 appear to assert a superior interest in the loan or REO. Instead the claims appear to be for
8 money damages for some perceived misconduct by Landmarc. Accordingly, the Receiver
9 requests that the Court declare that the following borrower claims are not superior to the
10 claimed interests of the LP Lenders and WCF Lenders recommended for approval herein.

11 Except for borrower claims that have already been denied by the Court pursuant to *Petition*
12 *No. 52*, the declaratory ruling sought here will not foreclose the possibility that the Court
13 could later rule that the borrower has an unsecured general creditor claim against the
14 receivership estate. That later issue will be addressed in a subsequent petition.

<u>Claim No.</u>	<u>Claimant</u>	<u>Loan No.</u>	<u>Amount</u>	<u>Lender</u>
6811	Diaz, Ray ³⁶	08021885	\$450,000	LCPARTNER
6601	Kunkle, James	06110816	\$555,055.42	TBM
6633	Rodriguez, Mary & Juan ³⁷	07010883	-0-	BECKER

19
20 ³⁵ These borrower claimants borrowed money from Landmarc under the designated loans, which
21 are the subject of one or more of the LP Lender Claims or WCF Lender Claims. Some of these
borrower claims have been denied by the Court. See footnotes 37 and 38.

³⁶ The property securing this loan was sold and the interest of the borrower, if any, attached to the
net sale proceeds pursuant to the Court's *Order Re: Petition No. 47* entered on August 2, 2011.

1	6529	Martinez, Magdalena	06080584	\$99,593	BLOCH
2	6642	Johnson, Robert ³⁷	07020907	-0-	DEEM
3	6480	Hubbard, Charles	07111834(1st)	\$133,146	LCPARTNER SOLHEIMR
4			07111845(2nd)		DESERTTRAI
5	7557	O'Neal, Patty ³⁷	LC040912	-0-	DESERTTRAI KEPESWARE
6	6855	Queen, Elizabeth	08121995	-0-	KEPESENTRU
7	6713	Fera, Cynthia ³⁸	07051074	-0-	LCPARTNER DEEM1
8					
9	6762	Hernandez, Esmeralda ³⁷	07081200	-0-	LCPARTNER
10	6780	Avena, Margie ³⁷	07101812	\$107,100	LDMPENS
11	6732	Hyatt, Delton & Karen	07061117	\$1,120,000	LDMPENS
12	6826	McGowan, David	08041915	\$43,900	LDMPENS
13	7571	Twyman, Annie ³⁷	LC041009	-0-	LDMPENS
14	7872	Chournos, Clint	LC050831	\$5,117.25	PETERSON
15	7873	Chournos, Clint	LC050836	\$5,117.25	PETERSON
16	6455	Jimenez, Jesus & Elvia	06060432	-0-	RUBINTR
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19					

³⁷ This borrower's claim was denied by the Court's *Order Re: Petition No. 52* entered on October 19, 2011, as recommended by the Receiver in *Petition No. 52*.

³⁸ This borrower's claim was denied by the Court's *Order No. 52 Denying Claim by Cynthia Fera Re: Petition No. 52*, entered on December 13, 2011, as recommended by the Receiver in *Petition No. 52*.

1 **D. Claims Subject to Other Proceedings**

2 47. On or about September 28, 2007, Landmarc loaned \$398,500 to Vicki
3 Thomson (Loan No. 07081208), which was secured by two parcels of real property located
4 in Maricopa County. The borrower defaulted and, prior to the receivership, Landmarc
5 foreclosed and took title to the properties. Thompson then filed a lawsuit and filed with the
6 Receiver a claim (No. 6765) asserting the right to fee title to the property taken by
7 Landmarc in foreclosure. At the time Thompson filed her lawsuit she recorded a *Notice of*
8 *Lis Pendens* with the Maricopa County Recorder on February 13, 2009, at Document No.
9 2009-0124422. This Court previously dismissed the lawsuit and denied the claim filed by
10 Thompson. *See Order Re: Petition No. 40* entered on January 31, 2011. The Court also
11 entered an order approving the sale of the two parcels of real property that were acquired by
12 Landmarc as part of the foreclosure of the loan. *See Order Re: Petition No. 38* and *Order*
13 *Re: Petition No. 39* both entered on January 31, 2011. Thompson appealed the Court's
14 Orders Nos. 38, 39 and 40 to the Arizona Court of Appeals which affirmed the orders under
15 a *Memorandum Decision* entered by the Court of Appeals on January 31, 2012. On March
16 7, 2012 the Arizona Court of Appeals issued its mandate which together with the
17 *Memorandum Decision* was filed with this Court on March 8, 2012. This matter is now
18 finally concluded. Litchfield has asserted a 50% beneficial interest in the underlying two
19 parcels of real property derived from this loan (No. 07081208).

20 48. Carey Arp has filed a claim (No. 8434) asserting a senior lien in the property
21 securing loan (No. 07051066), in which LCPARTNER and GUBINWARE claim beneficial

1 ownership. This claim will be resolved by a separate proceeding under *Petition No. 55* and
2 therefore the disposition of the interest claimed by LCPARTNER and GUBINWARE will
3 have to await the resolution of the claim filed by Carey Arp.

4 **E. Claimed Right to Priority Distribution Upon Liquidation**

5 49. One group of investors, referred to here as the Oxford Investors³⁹, assert a
6 right to a priority distribution from the liquidation of the assets in which they acquired a
7 participation interest (“First Out Right”). This claimed First Out Right, if enforced, will
8 adversely affect the other participants in the loan. The Oxford Investors assert this First Out
9 Right pursuant to letters provided to them by Landmarc and signed by Jeffrey Peterson, a
10 vice-president of Landmarc. The letters were given to the Oxford Investors with interests in
11 the following loans: Espinoza (#07061120), Hubbard (#07111834), We Did Our Part, LLC
12 (#08021878), 141 Route 69, LLC (#08031896), Porter (#08041902), and Two Six Seven
13 Investments, LLC (#08041903).⁴⁰ The letters are identical and read in relevant part as
14 follows:

15 This letter certifies that the following investors are in a first payout position on
16 the above referenced loan, Landmarc Capital & Investment Company agrees
17 to payoff the following investors first in the event of asset liquidation. This
18 clause remains in effect as long as the investor remain [sic] vested in the loan.

18 ³⁹ See paragraph 50 for the identity of the Oxford Investors.

19 ⁴⁰ This issue previously arose in connection with interests in the Westgate loan (#07061130). That
20 loan was foreclosed prior to the receivership and title was vested in LCI-Westgate, LLC of which
21 Landmarc was the sole manager. The Court previously approved an Operating Agreement which
incorporated the claimed first out rights of the Oxford Investors with an interest in that loan. The
Motion filed by LCPARTNER to set aside the approval of that operating agreement was denied by
the Court and has been appealed to the Court of Appeals by LCPARTNER. The loans here,
however, were in notes and deeds of trust and the interests and priorities are determined by the
recorded assignments of beneficial interest.

1 50. The Oxford Investors whose claimed interests are the subject of this Petition
2 and whose rights at the time of distribution may be affected by their claimed First Out
3 Rights are as follows:

<u>Claim</u>			
<u>No.</u>	<u>LCI Code</u>	<u>Loan Participant Lender</u>	<u>Loans</u>
7013	BEHRENDT	Behrendt, June	08031896 07061120
7085	CLARKE	Beverly Clarke, IRA	08031896 07061120
7337	GRIMM	Grimm, Bennett & Susan	08021878
7076	CHOPRA	Karen Lamb Living Trust	08031896 08021878
8022	MACKEN1	Michael Macken, IRA	08021878 08041902
8245	SOLHEIMR	Rhonda K. Solheim Family Trust	08041902 08041903 08031896 07111834 ⁴¹
8155	RADER	Robert K. Rader, IRA	07061120
8183	RRUSSELL	Russell, Richard	08021878
8362	VANBLADEL	S. Brotzman S. Vanbladel Revocable Tr	08041902
8244	SOLHEIMJ	Solheim, John & Brooke	08031896
7380	HOOKERS	Stephen L. Hooker, IRA	08031896 08021878
7988	LESHNER	Stephen Leshner, IRA	07061120
8352	URQUIETA	Urquieta Smythe Family Trust	08021878

41 The Rhonda Solheim Family Trust and Partners entered into a Transfer Agreement dated March 30, 2011, transferring this loan to a new servicing agent and that agreement appears to have terminated any first out rights of the Solheim Family Trust.

1 51. The non-Oxford Investors who may be adversely impacted by the First Out
 2 Rights claimed by the Oxford Investors, are the following:

<u>Claim</u>				
<u>No.</u>	<u>LCI Code</u>	<u>Lender</u>		<u>Loans</u>
7976	LCPARTNER	Landmarc Capital Partners, LLC		07111834 ⁴¹ 07061120 08021878 08031896 08041902 08041903
7126	DESERTTRAI	Desert Trails Holdings, LLC		08031896
7356	HAYDEN	Hayden Investments, LLC		08031896
8401	LDMACCEPT	LDM Acceptance		08031896
8529	LDMPENS	LDM Acceptance Pension		08031896
7338	GUBINWARE	Gubin Family Trust		08021878 08041903
8381	WHITEWARE	Wesley & Marlene White Tr.		08021878
7431	KEPESWARE	Madelene Kepes Revocable Tr.		08041903

13 52. The interests of GUBINWARE, WHITEWARE and KEPESWARE in the
 14 loans indicated above were confirmed in the Court's *Order No. 43* as a result of a perfected
 15 security interest those lenders held in the loan's promissory note and deed of trust.

16 53. The issue to be resolved by the Court is whether the rights of the above
 17 investors are superior to or subordinate to the First Out Rights of the Oxford Investors. The
 18 interests of these other investors are supported, with one minor exception, by recorded
 19 assignments of beneficial interest. The only exception is that LDMPENS approved interest
 20 of 1.21% in the 141 Route 69, LLC loan (#08031896) is not supported by a recorded
 21 assignment of beneficial interest. Its related entity, LDMACCEPT, however, was

1 mistakenly given an assignment in this loan of 1.21% more than it was entitled to. It does
2 not appear that the parties have been able to settle or compromise this dispute and therefore
3 the Receiver recommends that the Court set a briefing schedule for the adjudication of this
4 issue.

5 VII. RESOLUTION OF AMOUNTS AND INTERESTS OF LENDER CLAIMS

6 **A. Specific Recommendations as to Each Claimed Interest**

7 54. The Receiver's recommendations for each LP Lender's claimed interest in
8 Landmarc's loans are set forth in the attached Exhibit E.

9 55. The Receiver's recommendations for each WCF Claim deferred under the
10 Court's *Order No. 43* are set forth in the attached Exhibit F.

11 **B. General Principals Regarding the Recommendations**

12 56. With respect to the claimed interests in Landmarc's loans, the Receiver's
13 recommendations are based, except where indicated otherwise, on the percentage of
14 beneficial ownership reflected in LMS.⁴²

15 57. The basis for the Receiver's recommendation for approval or disapproval of
16 each of the claimed interests is indicated in column K of the attached Exhibits E and F. The
17 recommended disposition of the Claimant's approved interests is indicated in column L of
18 the attached Exhibits E and F. The codes used in Columns K and L are explained in the
19 attached Exhibit G. The Receiver's recommendations are conditioned on the Claimants
20 reimbursing the estate for the loan charges as provided herein.

21 _____
⁴² See footnote 13.

1 58. The recommended dispositions have been made based on the current state of
2 affairs with respect to each loan or REO. For example, if a loan is in default and has
3 multiple beneficial owners, the recommendation may be to complete the foreclosure and
4 then sell the REO and distribute the sale proceeds according to the percentages approved by
5 the Court. If the borrower, however, were to cure the default and reinstate the loan, the
6 actual disposition might be to transfer the loan to a new servicing agent. Furthermore, if the
7 claimants with interests approved by the Court decide that they would rather hold the REO
8 resulting from foreclosure in the hope that the property will substantially appreciate in value
9 in the near term, they could form a limited liability company to take title to the REO in
10 which case the Receiver would transfer title to the REO to the new entity and leave it to the
11 new entity to decide when to sell the REO.

12 59. A claimant is required to take an interest approved pursuant to this Petition
13 and the Receiver intends to withhold distribution of other approved interests if necessary to
14 insure that all approved interests are distributed and all loan charges are paid for. In
15 addition, all distributions recommended here are contingent on the Lender cooperating with
16 the Receiver in cleaning up clouds to the title to properties to be distributed by the Receiver,
17 including where necessary, executing reassignments back to Landmarc or directly to the
18 approved beneficial owner in order to allow for the distributions to be made as approved by
19 the Court. Finally, the Receiver may have claims against the Lender arising from its
20 dealings with Landmarc and any distribution of a claimed interest is contingent on the
21

1 resolution of the Receiver's claims (the disposition for these claimed interests is coded as
2 "9d" in Column L of Exhibit E).

3 **C. Loan Charges, Trust Funds, Impounds and Rental Deposits**

4 60. Consistent with the prior orders of this Court, the Receiver recommends that
5 prior to the transfer of the approved interests, the Claimant be required to reimburse
6 Landmarc for the Claimant's share of the expenses incurred by Landmarc or the Receiver
7 for the benefit of the security interest including, without limitation, postage and attorney's
8 and trustee's fees relating to the foreclosure of deeds of trust, and expenses in insuring,
9 maintaining or making improvements to the security. A detailed report of the applicable
10 loan charges will be provided to the Claimant at the time the loan interest is disbursed or at
11 any earlier time upon request. Claimant's share of loan charges is obtained by multiplying
12 its approved percentage interest by the total loan charges.

13 61. Generally the costs of the professional services provided by the Deputy
14 Receiver, the accounting and other professional staff of Warfield and Company, and the
15 attorneys and other legal staff of Guttilla Murphy Anderson, in connection with
16 investigating the funding and claimed interests in Landmarc's loans, and in clearing title to
17 those loans or preserving or protecting the value of such loans, has not been included in the
18 loan charges described above. However, the Receiver reserves the right to seek
19 reimbursement for such expenses where they are incurred in defending against attempts by a
20 borrower or other person to prevent the foreclosure or sale of the underlying security for the
21

1 loan, or to enforce a claimed interest in the loan, the security for the loan, or REO resulting
2 from the loan.

3 62. In addition, the Claimant will be required to pay to the Receiver its share of
4 any trust shortage and will receive its share of any funds held in trust by the Receiver. A
5 detailed report of the trust funds held for each loan will be provided to the Claimant at the
6 time of the distribution or earlier upon request of the LP Lender. Claimant's share of the
7 trust funds is obtained from the allocation made by Landmarc's database.

8 63. The balance of any impound funds or rental security deposits held in trust by
9 the Receiver for a loan or REO are held for the borrower or tenant and will be transferred by
10 the Receiver to the Claimant or the appropriate person at the time their loan or REO is
11 disbursed.

12 64. The payment of loan charges for interests claimed by the WCF Lenders shall
13 be governed by the Court's *Order No. 43*.

14 **D. Recovery of Losses Resulting from Loan Participations**

15 65. Some LP Claimants appear to seek to recover from the receivership estate the
16 losses that they believe they suffered as a result of their loan participations with Landmarc.
17 However, as discussed above, Landmarc was not contractually obligated to make up for any
18 shortfall incurred by reason of the participation and therefore was not obligated to the LP
19 Lenders under the LP Agreement for their losses. Accordingly, to the extent any of the LP
20 Claims identified in paragraph 13 or Exhibit E to this petition seek monetary damages, that
21 part of the claim should be denied.

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WHEREFORE, the Receiver respectfully requests that the Court:

1. Enter an order:
 - a. Approving the Receiver’s recommendations regarding the LP Claims and deferred WCF Claims described in this report;
 - b. Declaring that the interests of the LP Lenders and WCF Lenders identified in Exhibits E and F, were funded by the Lender and are either established by a properly recorded assignment of beneficial interest or are secured by an equitable lien on the loan or proceeds thereof as reflected in Exhibits E and F; and
 - c. Authorizing the Deputy Receiver to execute and record quit claim deeds, assignments of beneficial interest and such other documents as may be necessary to effectuate the disposition of interests approved herein by the Court.
2. Enter such additional orders as may be necessary to effectuate the dispositions approved herein by the Court.

Respectfully submitted this 30th day of March, 2012.

GUTTILLA MURPHY ANDERSON
/s/Patrick M. Murphy
Patrick M. Murphy
Attorneys for the Plaintiff

PROOF OF SERVICE

This is to certify that on this 30th day of March, 2012, I electronically transmitted the foregoing document to the Maricopa County Clerk’s Office using electronic filing and emailed or mailed by First Class Mail to all persons on the attached Master Service List and mailed by First Class Mail to each of the claimants whose claims are addressed in this Petition.

/s/Patrick M. Murphy
Patrick M. Murphy

MASTER SERVICE LIST

State of Arizona ex rel. v. Landmarc Capital & Investment Company

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

CV2009-020595

(Rev. October 20, 2011)

The Honorable Eileen Willett
Maricopa County Superior Court
Central Court Building
201 West Jefferson, Room 4B
Phoenix, Arizona 85003

Lauren Kingry, Superintendent
Department of Financial Institutions
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Greenberg, Geoff & Katie Ball, Lydia
Ball c/o Dr. Richard Ball, Deborah Ball

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The Madelene Kepes Revocable Living
Trust, Dated May 22nd 1984 as Amended

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Helen and Stephen Gubin Charitable
Remainder Trust and the Gubin Family
Trust dated May 27, 1992
c/o Steve Gubin
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EXHIBITS

- A. Investor Disclosure and Purchase Agreement
- B. Participation Certificate
- C. Participant's Disclosure Statement
- D. Declaration of Jeff Peterson
- E. Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims
- F. Schedule of Receiver's Recommendations Regarding Deferred WCF Claimed Interests
- G. Approval and Disposition Codes for Loan Participant Lender Claims

LANDMARC Capital & Investment Co.

4110 N Scottsdale Rd, Suite 330

Scottsdale, AZ 85251

Tel 480 - 970 - 8500

Fax 480 - 970 - 4592

PRIVATE AND CONFIDENTIAL

INVESTOR DISCLOSURE and PURCHASE AGREEMENT (PURCHASE OF AN INTEREST IN A SINGLE LOAN) Ver-Waxman.01.18.06

INVESTMENT INTEREST AND PARTICIPATION IN THAT CERTAIN NOTE AND DEED OF TRUST SECURED BY THAT CERTAIN RESIDENTIAL REAL ESTATE DESCRIBED HEREIN.

BY THIS AGREEMENT, made and entered into this 10th DAY OF OCTOBER, A.D., 2006, by and between LANDMARC CAPITAL & INVESTMENT COMPANY, having its principal place of business at 4110 N Scottsdale Rd, Suite 330, Scottsdale, AZ 85251 (hereinafter referred to as "Principal", "Lender" or "Landmarc") and the undersigned, [REDACTED]

[REDACTED] (hereinafter called "Participant"), in consideration of the recitals and the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, confirm and agree as follows:

RECITALS

A. Principal has agreed to provide a residential real estate loan secured by a FIRST Deed of Trust to MAGDALENA MARTINEZ ("Borrower"), residing at 1602 SOUTH 111TH AVENUE, CASHION, 85329, with the secured real property location commonly known as 1602 SOUTH 111TH AVENUE, CASHION, ARIZONA 85329 (the "Property" or the "Secured Property") and a Note in the principal sum of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) (the "Loan Amount"), all as more specifically set forth in "Loan Agreements" related to the Loan which the Participant is purchasing an interest in. The "Loan Agreements" are sometimes referred to as the "Loan", the "Loan and Deed of Trust Agreements" or the "Loan Agreements". Participant hereby

Exhibit A

acknowledges receipt of copies of the Loan Agreements. The Loan is evidenced by a promissory note made in the total sum of the Loan Amount executed by Borrower, as maker, payable to the order of Landmarc (the "Note"). The Loan and all advances thereunder are governed by the terms, conditions and provisions set forth in the Loan and Deed of Trust Agreements executed at closing, which was on SEPTEMBER 6th, 2006 (the "Closing") by and between Borrower and Landmarc, as Lender. The Loan is secured by a Deed of Trust against the Secured Property executed by Borrower for the benefit of Landmarc, as Secured Party (the "Deed of Trust"), and by other security documents and instruments of even date with the Note. The Loan and Deed of Trust, the Note and all documentation related thereto shall be included within the definition and as part of the terms "Loan", "Loan Agreements" and "Loan and Deed of Trust Agreements".

B. Landmarc desires to sell and Participant desires to purchase participations in the Loan and Deed of Trust upon the terms, conditions and agreements set forth herein.

AGREEMENT

1. Recitals and Participant's Interest. The above recitals are hereby incorporated herein as if fully set forth in its entirety. Participant shall participate in the Loan and Deed of Trust, subject to the conditions and upon the terms and provisions herein set forth, to the extent of the principal amounts under the Loan, as follows: One Hundred Thousand Dollars and Zero Cents (\$100,000.00) by Participant (the "Participant Interest" or "Participant's Interest" or "Participation Interest").

2. Loan Closing and Conditions of Disbursement. The Loan was/will be closed under an escrow closing arrangement. The proceeds of the Loan were/will be advanced and disbursed under the escrow closing in accordance with the terms, conditions and provisions of the Loan and Deed of Trust Agreements. Landmarc shall service the Loan and collect all payments due under the Loan. Lender will forward Participant's portion, as set forth in this Agreement, of Borrower payments Lender receives from Borrower.

3. Purchase of Participations. Upon written or telegraphic demand of Landmarc, Participant shall deposit with Landmarc the full amount of Participant's Interest. Upon the latter of (a) funding by Participant, or (b) at Closing of the Loan and Deed of Trust and the advance by Lender at Closing, Landmarc shall issue to Participant a "Participation Certificate" in form attached hereto as Schedule "A" showing Participant's total interest in the Loan and Deed of Trust for Participant's intended purchase of Participant's Participation Interest. If such advance(s) of the Loan is not made after Landmarc has received the funds in Escrow representing Participant's Interest, then (a) Landmarc shall cause the return of Participant's

advance back to Participant and (b) Participant shall not be deemed to have purchased a participation in the Loan hereunder.

4. Possession and Control of Instruments. Lender shall hold the Loan and Deed of Trust Agreements for the benefit of Lender and Participant, and, subject to the terms as herein provided, Participant shall be deemed to have an interest in the Loan and Deed of Trust Agreements in proportion to Participant's Participation Interest in the Loan. Lender shall not, without the prior written consent of Participant: (a) make or consent to any alteration or change of the interest rate, repayment schedule, covenants or default provisions of the Loan and Deed of Trust Agreements; (b) make or consent to any release, substitution or exchange of any of the security for the Loan; (c) accelerate or extend the maturity of the Note; or (d) waive any claim against Borrower or any other obligor existing under the Loan and Deed of Trust Agreements. Anything in the foregoing to the contrary notwithstanding, Lender shall be entitled, in Lender's sole discretion, to make or consent to changes to the Loan and Deed of Trust Agreements, which are not limited by the foregoing.

5. Lender's Obligation to Furnish Papers. After the Closing of the Loan Agreements, Lender shall deliver copies of the Loan and a copy of the recorded Deed of Trust Agreements executed or delivered in connection with the Closing to Participant.

6. Direction to Pay Participant's Monthly Payment and Loan Servicing and Loan Administration. Participant shall receive a Participation Certificate evidencing Participant's Participation Interest and Lender is hereby directed to pay Participant's Monthly Participation Payment to Participant, as set forth in Paragraph 7(b) herein below (the "Direction to Pay Participant's Monthly Participation Payment"). Lender shall administer and service the Loan pursuant to the terms hereof and under the terms of the Loan Agreements. Lender shall bill and collect the payments under the Loan from Borrower and then disburse payments to Participant as provided by this Agreement. Lender shall keep books of account and records reflecting Participant's interest in the Loan and Deed of Trust Agreements. The books and records shall be accessible for inspection by Participant or by such examining or regulatory authorities as may have jurisdiction over Participant or Lender at the offices of Lender at all times during business hours upon reasonable notice and request.

7. Collection of Principal and Interest. Participant and Lender agree that:

(a). Lender shall collect, on behalf of the Lender and Participant, the entire principal of the Note, and all interest due thereon, together with all other monies due on or in connection with the Loan and Deed of Trust or the satisfaction or sale of the Loan.

(b). Notwithstanding anything to the contrary contained in the Loan and Deed of Trust Agreements, Participant and Lender understand and agree, as follows:

- (i) Participant's Participation Interest is in the Loan is in the total principal amount of \$100,000.00;
- (ii) Participant's interest rate on Participant's Participation Interest is 10.00% (the "Participation Interest Rate" or "Participant's Interest Rate"); and
- (iii) Payment of interest to Participant at Participant's Interest Rate is \$833.33 per month (the "Participant's Monthly Participation Payment" or the "Monthly Participation Payment"). Participant is scheduled to receive the Participant's Monthly Participation Payment within ten days after the payment due date under the Loan.

Interest to Participant on its Participation Interest shall commence and accrue as of the date the Participant's funds are released to Lender. Notwithstanding anything to the contrary contained in the Loan and Deed of Trust Agreements, interest to Participant shall be computed at the Participant's Interest Rate using an annual simple interest rate calculation, which shall be paid monthly. Subject to the terms and conditions of the Loan and Deed of Trust Agreements, Lender shall promptly account for and pay to Lender its share and to Participant the Participant's share as set forth herein.

(c). Upon payment of the entire Loan according to the terms of the Note and the Loan and Deed of Trust Agreements, Participant shall accept said payment and thereupon execute proper release or satisfaction or, in lieu thereof, an assignment of the Loan and of the Loan Documents as required by Lender.

(d). Notwithstanding anything to the contrary contained in the Loan and Deed of Trust Agreements and Lender's rights thereto under the Loan and Deed of Trust Agreements, (1) Participant shall earn interest on Participant's Participation Interest only at Participant's Interest Rate stated in Paragraph (b) above and (2) all Loan fees, charges or prepayment penalties, if any, under the Loan shall be retained by Lender and Participant hereby acknowledges that Participant shares no interest in such fees, charges or penalties.

8. Notice of Substantial Default. Lender shall notify the parties hereto of any default by Borrower under the Loan and Deed of Trust Agreements. Lender shall, from time to time, deliver to Participant such other information, which is in the possession of Lender as may be reasonably requested by Participant.

9. Recoveries.

(a). Prior to an Event of Default under the Loan and Deed of Trust Agreements, and except as hereinafter provided as to late fees and prepayment penalties, all sums recovered (and the proceeds of all property recovered) in connection with the Loan shall be distributed to the parties hereto, as set forth in Paragraph 7 hereof, as follows: first, to repay principal and unpaid interest; second, to pay the expenses of such recovery; third, to late charges and prepayment penalties.

(a). Prior to an Event of Default under the Loan and Deed of Trust Agreements, and except as hereinafter provided as to late fees and prepayment penalties, all sums recovered (and the proceeds of all property recovered) by either party hereto in connection with the Loan shall be shared by the parties hereto according to their interests in the Loan, as set forth in Paragraph 7 hereof, then in the Loan and shall be applied as follows: first, to pay the expenses of such recovery; second, to repay principal; third, to unpaid interest; and fourth, to late charges and prepayment penalties.

(b). After an Event of Default under the Loan and Deed of Trust Agreements, all sums recovered (and the proceeds of all property recovered) by either party hereto in connection with the Loan, whether by foreclosure of any banker's or other lien or any setoff or other claim on or against any deposit or other balance held to the credit of Borrower, or otherwise, shall, after paying or making reserve for all costs of collection as hereinafter provided, shall be shared by the parties hereto according to their interests, as set forth in Paragraph 7 hereof, then in the Loan and shall be applied as follows: first, to pay the expenses of such recovery; second, to repay principal; third, to unpaid interest; and fourth, to late charges and prepayment penalties. Lender shall have no obligation to make any distribution of amounts recovered after an Event of Default until all collection activities have been concluded; provided, however, that if Lender elects to make such a distribution, Lender may reserve such portion of the amounts so recovered as Lender may deem appropriate to cover all costs of collection.

10. Additional Collateral. Lender shall hold additional collateral, if any was provided as additional security for the Loan, (the "Additional Collateral") for the benefit of Lender and Participant to the extent of their respective Interests hereunder. Anything herein to the contrary notwithstanding, Lender shall not be required to take any action with respect to the Loan or the Additional Collateral, which would be in violation, or cause the violation, of any applicable federal or state securities law.

11. Expenses and Losses. Participant shall be paid principal and interest as set forth in Paragraph 7 hereof and shall receive recoveries as set forth in Paragraphs 9 and 13 hereof. Lender shall use due diligence to recover from Borrower all expenses that are properly reimbursable from Borrower and shall remit to Participant all amounts due to Participant under the terms hereof. Lender may advance, in its sole discretion, such enforcement expenses as Lender solely deems necessary and such expenses advanced by Lender shall be repaid as set forth in Paragraphs 9 and 13 hereof.

12. Remedies. Lender may take any remedial action with respect to the Loan or avail itself of any remedy existing under the laws of the United States or the State of Arizona, and may vote, with respect to the Loan, in any bankruptcy, arrangement, reorganization or other creditors' proceeding, upon the occurrence of any default by Borrower with respect to the Loan, or of any other event or condition which gives rise to a right or option in Lender to take any such action; or Lender may, in its sole discretion, refrain from taking any such action or exercising any such option.

13. Recovery of the Property. In the event Lender determines that it is advisable to take possession of the property encumbered by the Loan and Deed or Trust Agreements through foreclosure or otherwise, Lender shall acquire the Property in its name for the benefit of the parties hereto as set forth herein. Lender shall then hold any such Property for the benefit of Lender and Participant. Lender may manage, maintain and improve the Property or to sell or dispose of the Property so acquired. Upon sale or disposition of the Property, Participant shall be paid its/their principal, unpaid interest and any expenses advanced by Participant before Lender recovers its expenses, fees, penalties and charges. Lender shall bear the risk of loss of its recovery expenses and the gain on disposition of the Property including any late fees and charges and prepayment penalties. Participant acknowledges and agrees that Participant has no authority to nor shall Participant enter into any agreements to release or waive, without Lender's written consent, any principal, unpaid interest, late charges and fees, foreclosure fees and charges, prepayment penalties or any other rights, remedies or obligations of Lender or Participant with respect to the Borrower relating to the Property and the Loan and Deed of Trust Agreements relating to the Property.

14. Disclaimers, Representations and Liability of Lender. Lender makes the following representation and disclaimers with respect to this Participation transaction and with respect to the Loan and Deed of Trust Agreements:

(a) **No Representations as to Borrower Credit Worthiness.** Lender makes no representations to the credit worthiness of the Borrower to Participant. The only information being provided to Participant are documents in writing, which may include an underwriting package provided to Participant, and the Loan and Deed of Trust Agreements. Lender makes no warranty as to the veracity of Borrower's information or representations made therein.

(b) **No Representations as to Validity of Borrower's Representations and as to Enforceability of Loan and Deed of Trust Agreements.** Lender represents that the Loan and Deed of Trust Agreements were duly entered into between Lender and Borrower. Lender makes no express or implied representations or warranty as to the validity of representations of Borrower under the Loan and Deed of Trust Agreements. Lender represents that Lender is the holder of the Note and of the other Loan and Deed of Trust Agreements and that Lender has the right and title to sell to Participant the Participation therein.

(c) **Agency**. Lender shall act only as agent for Participant in the control and management of the non-defaulted Loan, without charge, and shall not be responsible to Participant beyond that degree of ordinary care that Lender exercises in the conduct and management of its own business. Lender shall not be liable to Participant for any loss except that arising as a direct result of Lender's own gross negligence or willful misconduct. Lender shall not be liable to Participant for any act of Escrow Agent. In the event of a default under the Loan, Lender shall be reimbursed on a pro rata basis by Participant for any expenses advanced by Lender to enforce the rights of Lender under the Loan as set forth hereunder and as set forth in Paragraph 11 hereof.

15. **Representations and Warranties by Participant**. Participant represents and warrants to Lender and Lender may rely on such representations and warranties of Participant, as follows:

(a) **Borrower Credit Risk and Risk of Default by Borrower**. Participant understands that (i) Lender is not a guarantor of Borrower's performance under the Loan and Deed of Trust Agreements and (ii) that, in the event of a default by Borrower, monthly payments of principal and interest to Participant may cease and the parties hereto may have to foreclose on the Secured Property. Participant understands that in the event of a foreclosure of the Property, the parties hereto may suffer a loss on their investment in accordance with their respective interests as set forth herein.

(b) **Loan and Deed of Trust Agreements**. Participant understands that it is purchasing an interest in, to and under the Loan and Deed of Trust Agreements to the extent of Participant's Participation Interest in the Loan.

(c) **No Reliance**. Participant acknowledges that Participant has entered into this Agreement upon Participant's own independent credit review of (i) the Borrower and the Underwriting Package, (ii) the Property as security for the Loan and (iii) the Loan and Deed of Trust Agreements. Participant further acknowledges that Participant is not relying, and will not rely, on Lender with respect to Participant's decision to purchase this Participation Interest relating to this Loan.

(d) **Accredited Investor**. Participant represents to Lender and Lender may rely on Participant's representation that Participant is an accredited investor pursuant to any applicable Federal and State guidelines and that the loss of principal and interest payments or the loss of principal under the Loan and Deed of Trust Agreements will not have a significant impact on Participant and that any such loss would be only a small portion of Participant's cash flow and Participant's net worth. Further, Participant hereby incorporates and affirms all of Participant's representations and warranties set forth in Participant's Disclosure Statement a copy of which is attached hereto as Schedule "B" and incorporated herein as if fully set forth and made a part hereof.

(e) Representation and Review by Participant's Counsel. Participant represents that Participant and Participant's advisors, if any, have reviewed this Agreement and all other documents related hereto or made a part hereof.

(f) Loan Rates and Terms vs. Participation Rates and Terms. Participant is aware, acknowledges and accepts that the Loan rates and terms may be different and higher than the Participant's rate and terms set forth herein and that such rates and terms not assigned to or purchased by Participant are owned by Lender unless specifically set forth otherwise herein.

(g) Risks of Second Mortgage Lending, if Applicable. In the event the Loan and Deed of Trust is a second lien, a default by Borrower under the first mortgage or deed of trust may trigger a foreclosure in which case Lender and Participant may lose their entire investment unless the parties hereto mutually agree to buy out the first lien on the Property in accordance with their respective interests set forth herein.

(h) Risks Related to Title Insurance; Land Remediation and Real Estate Market Values. Participant understands the potential for risks and the risk of loss due to: (i) title disputes and the limitations on title insurance; (ii) the risks to secured lenders as a result of any contamination that may be found on the land which may be subject to any Federal and State laws; and (iii) real estate market value fluctuations in the event of a foreclosure and sale of the Property.

(i) Acknowledgement that the Participant's Investment in the Loan is a Purchase of a Participation Interest in the Loan. Participant understand and acknowledges that Lender retains an ownership interest in the Loan and Deed of Trust Agreements and that Participant is purchasing an interest under the Loan and Deed of Trust Agreements to the extent of Participant's investment interest in the Loan.

(j) Acknowledgement of Awareness of Risks of Residential Real Estate Lending, Regulations and Laws. Participant understands and agrees that Lender does not warrant or guaranty against the risks associated with suits being brought by Borrower or any governmental agency with respect to Section 32 Home Owners and Equity Protection Act disclosures and compliance with any laws respecting residential real estate lending, which may be raised against the Lender with respect to this Loan and Deed of Trust Agreements.

(k) No Reliance on Participant for Legal or Tax Advice. Participant shall seek Participant's own advice and counsel with respect to any legal or tax matters associated with Participant's purchase of the Participation Interest herein.

16. Restrictions on Assignment. Participant shall not sell or assign all or any part of its interest in the Loan without the prior written consent of Lender.

17. Parties in Interest; Context; Headings. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their successors and assigns. Words and expressions used herein shall be applicable according to the context thereof and without regard to the number or gender of such words or expressions. The headings or captions of paragraphs in this Agreement are for reference only, do not define or limit the provisions of such paragraphs, and shall not affect the interpretation of this Agreement.

18. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Arizona.

19. Arbitration. The parties hereto agree to resolve all disputes through arbitration and mutually agree, as follows:

(a) If any dispute arises between the parties concerning the interpretation or enforcement of any term of this Agreement, either party or their representatives may request arbitration.

(b) The arbitration provided herein shall proceed according to the Arbitration Rules for Arizona, and the award of the arbitrator shall have the effect therein provided. The arbitration shall take place in Maricopa County, Arizona, at a site selected by the arbitrator. The costs and expenses of any such arbitration shall be awarded in accordance with the terms of this Agreement.

(c) The arbitration procedure set forth herein shall be binding, non-appealable and the exclusive remedy of the parties hereto in the event of any dispute concerning the interpretation or enforcement of any term of this Agreement.

20. Option and Irrevocable Powers of Attorney. Lender has the option and right at any time to repurchase Participant's Interest hereunder upon the payment of the then remaining principal balance due Participant along with any interest due thereon. Concurrent with such repurchase exercise by Lender, Participant shall execute all documentation required by Lender with respect to the repurchase of Participant's Interest including assignments of the Deed of Trust and tendering to Lender Participant's original Participation Certificate.

(a) Repurchase Power of Attorney. Participant hereby appoints Lender as Participant's attorney in fact for the purpose set forth below. Participant hereby grants Lender an irrevocable special power of attorney to execute all documents and agreements on behalf of Participant deemed necessary by Lender to effect a reconveyance of the Loan and Deed of Trust Agreements to Lender or any designee of Lender upon the repurchase of Participant's Participation Interest at any time upon the payment of the appropriate pay off amount due to Participant. This special power of Attorney extends to the execution of all documents and agreements by Lender on behalf of Participant as are deemed necessary by Lender to reconvey the Loan and Deed of Trust, which documents include, but are not limited to, the execution, filing and recording an assignment of the Deed of Trust from Participant to Lender or to Lender's designee. Lender has the sole right and authority to act on behalf of Participant as set forth herein. This special power of attorney cannot be revoked and will survive Participant's death.

(b) Foreclosure Power of Attorney. In the event of a default under the Loan, Lender has the sole right and authority to act on behalf of Participant, as set forth herein, in any foreclosure proceedings. Participant agrees to appoint Lender as Participant's attorney in fact for all matters following a default. This special power of attorney cannot be revoked and will survive Participant's death or any subsequent transfer or assignment of the Property.

21. Entire Agreement. This Agreement constitutes the entire agreement among the parties. It supersedes any prior agreement or understanding among them, and it may not be modified or amended in any manner unless in writing executed by both parties hereto.

[Signatures follow on next page.]

SCHEDULE "A"
PARTICIPANT'S
PARTICIPATION CERTIFICATE

\$100,000.00	Date: OCTOBER 10th, 2006
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TO: [REDACTED] ("Participant")

Gentlemen:

The undersigned hereby certifies that Participant has, and is hereby granted, a participation interest in the amount of \$100,000.00 (based on advances to be made by Participant), and that, as of the date hereof, Participant now holds a total participation of \$100,000.00 in the that certain Loan and Deed of Trust extended by the undersigned to MAGDALENA MARTINEZ evidenced by a Promissory Note and Deed of Trust in the amount of \$100,000.00 dated AUGUST 29th, 2006, which Loan and Deed of Trust is being administered by Landmarc Capital & Investment Company on behalf of the undersigned Principal and Participant pursuant to that certain Participation Agreement between the undersigned Principal and the Participant dated OCTOBER 10th, 2006.

PRINCIPAL:

LANDMARC CAPITAL & INVESTMENT COMPANY

By Malecia Jewell
Malecia Jewell, Corporate Secretary

LANDMARC Capital & Investment Co.

4110 N Scottsdale Rd, Suite 330

Scottsdale, AZ 85251

Tel 480 - 970 - 8500

Fax 480 - 970 - 4592

Private and Confidential

PARTICIPANT'S DISCLOSURE STATEMENT

Ver-11.02.05

Date: OCTOBER 10th, 2006

**Landmarc Capital & Investment Company (Landmarc, Lender or Principal)
4110 North Scottsdale Road, Suite 330
Scottsdale, Arizona 85251**

Re: Disclosure Statement made in connection with the Participation Agreement dated OCTOBER 10th, 2006 and the Purchase thereunder of a Participation Interest in a certain Loan and Deed of Trust, dated AUGUST 29th, 2006, as follows:

Loan Amount:	\$100,000.00
Borrower:	MAGDALENA MARTINEZ
Property:	1602 SOUTH 111TH AVENUE CASHION, ARIZONA 85329
Closing on or before:	OCTOBER 10th, 2006
Participation Amount:	\$100,000.00

Gentlemen:

The undersigned, as Participant under the above referenced Loan and Deed of Trust and as purchaser of a Participation Interest under the Loan, represents in connection with the Participation Agreement to Landmarc, as follows:

- 1. Participant discloses Participant's information, as follows:**

Participant(s)

If an entity, entity type

INDIVIDUAL

Jurisdiction of Formation:

Tax ID No.:

Address:

State of Residence or Domicile:

2. Participant is responsible for Participant's own investment decisions. Participant is able to evaluate the terms and other factors involved in this particular residential real estate Loan and Deed of Trust. Participant understands that Lender does not provide any opinions or investment advice. Participant understands that Lender depends on the skill of independent appraisers to value the underlying security for each loan and that Lender has provided Participant with an appraisal from a certified independent appraiser on the Property, which is the subject of the Loan and Deed of Trust. Participant understands that Participant is responsible to seek Participant's own advice from independent counsel, both tax and legal.

3. Participant Understands and Assumes the Risks, as follows:

A. Investment Risks.

1. Lack of Liquidity and Marketability.

Although the Loan was evaluated primarily on the equity serving as collateral on the Deed of Trust, Lender does not guarantee, or promise to provide, a market for the sale of the Property or of Participant's Participation Interest. Lender does not promise to repurchase the Participant's Participation Interest purchased by Participant under the Participation Agreement. Landmarc and Participant will, to the extent of their respective interests in the Loan, bear all of the risks of a changing real estate market, which may result in reduced returns to Participant and Landmarc.

2. Defaults on Loan and Deed of Trust.

- (a) Risk of Default by Borrower.

Just as in the case of any residential real estate loan, the Lender and Participant bear the risk of a default by Borrower under this Loan and Deed of Trust. Any failure of Borrower to repay a Loan or principal and interest on the Loan will reduce the revenues and

returns to the Landmarc and Participant, and in some cases, such as second lien positions on residential real estate, it is possible to lose the entire loan.

(b). Appraisal and Market Conditions.

The security for the Loan and Deed of Trust is the Property. Lender relies upon the skill of independent appraisers to determine the market value of the security underlying loans. Although Lender hires experienced appraisers, Lender does not guarantee their appraisals. Appraisers can misjudge and err on their valuations or subsequent market conditions may affect real estate values. As a consequence, there may be less security than expected when the Loan was originally made. In the event of a default by Borrower and if, at the time of a foreclosure, the market value of the Property is less than the original appraised value, Participant may not recover the full amount of Participant's Participation Interest.

(c). Power of Attorney to Foreclose.

In the event of a default under the Loan, Lender has the sole right and authority to act on behalf of Participant, as set forth in the Participation Agreement, in any foreclosure proceedings. Participant agrees to appoint Lender as Participant's attorney in fact for all matters following a default. This special power of attorney cannot be revoked and will survive Participant's death or any subsequent transfer or assignment of the Property.

B. Loan Underwriting Credit Risks.

1. Landmarc's Market Niche and Underwriting.

Landmarc's market niche is not to compete head on against the large mortgage lending institutions, but rather to (a) find opportunities to provide financing to borrowers who need a lender able to commit and close more quickly than a conventional lender, and (b) find those situations where the borrower does not fit the rigid guidelines and requirements of conventional lenders but, due to the unique facts and circumstances of such borrower, the borrower is otherwise a reasonable credit risk. Consequently, in evaluating loan

suitability, the underwriting standards and procedures applied by Landmarc may appear to be more lenient than conventional lenders. Many of the loans presented to Participant may be to borrowers who do not meet the credit standards required of many conventional mortgage lenders.

Since Landmarc's market niche is to respond more quickly than other mortgage lenders, there is potentially a greater risk that the credit inquiry performed will not reveal all material facts relevant to the Borrower and the Property used as security for the Loan. Inherent to this niche market is the potential for a greater risk of default by Borrower, which in turn may impair Landmarc's and Participant's ability to realize any profit or even to recoup Participant's Participation Interest.

2. Loan is not Guaranteed by any Government Agency.

The Loan and Deed of Trust is not insured or guaranteed by a federally owned or guaranteed mortgage agency. The only recourse upon the event of a default by the Borrower is to initiate foreclosure proceedings under the Loan and Deed of Trust and against the Property. There may be a risk that the value of the Property at the time of foreclosure may have decreased and may not be equal to the amount outstanding under the Loan, resulting in a decrease in the amount recovered by Landmarc and Participant.

3. Difficulties in Protecting the Rights of a Secured Lender.

While Lender believes the Loan and Deed of Trust are enforceable against Borrower and the Property, the rights of Borrower and other secured lenders may limit the practical realization of those benefits, as follows:

(a). **Foreclosure and Litigation.** Judicial foreclosure proceedings can be subject to protracted litigation. Non-judicial foreclosure is the faster and preferred method, however in certain instances it may be necessary to seek judicial foreclosure, which may result in the deterioration of the Property or a decrease in value due to a delay in foreclosing on the Property; [deteriorate or decrease in value if there is any delay in foreclosing on the Property.

(b). **Environmental Issues.** Unforeseen environmental hazards may subject the Lender and Participant, to the extent

of Participant's Participation Interest, to unexpected and costly liability, and cause procedural delays in exercising the Lender's rights;

(c). **Redemption Rights.** The Borrower's right of redemption during foreclosure proceedings can delay the sale of the Property, and may require the Lender to manage the Property;

(d). **Other Secured Lenders.** The rights of other senior secured parties in the Property, if any, can create procedural difficulties during foreclosure proceedings;

(e). **Limitations on Deficiency Judgments.** Due to applicable state laws, Lender may not be able to pursue deficiency judgments after foreclosure on the Property;

(f). **Bankruptcy.** State and federal bankruptcy laws can prevent Lender from pursuing any action against the Borrower or against the Property, regardless of the status of the case.

C. No Reliance on any Lender's Representations as to Law.

Notwithstanding the representations on the law, if any, contained herein or under the Loan Agreements, Participant represents that Participant is relying on advice of Participant's own legal counsel or advisors and that Participant is not relying on any representations of Lender or Lender's counsel.

D. Lender's Disclosures.

Lender will receive Lender's fees from Borrower for the Loan and Deed of Trust. The fees are up-front fees paid at closing and such fees are tied to the size of the loan. Lender also receives service fees for the administration of the Loan, which may include loan evaluation and processing fees, loan extension or modification fees, late charges, prepayment penalties and, subject to regulatory requirements, Lender may also receive mortgage service fees where permitted. In addition, Lender will retain an ownership interest in the Loan as follows: (1) an interest in the principal and interest under the Loan to the extent of Lender's interest therein and (2) an interest in the interest rate under the Loan, specifically the difference between the interest rate under the Loan and the Participant's Interest Rate as stated in the Participation Agreement.

E. PARTICIPANT'S SUITABILITY REQUIREMENTS.

1. Due to the risks inherent to this Loan and Deed of Trust, Participant represents that Participant meets the eligibility requirements, as follows:
 - (a). A net worth, exclusive of home, home furnishings and automobiles, of at least \$45,000, and a minimum annual gross income of at least \$45,000; or
 - (b). A minimum net worth of at least \$150,000. As described more fully below, a significant number of states have more stringent requirements than those set forth above. Additionally, Lender may require additional representations from Participant to determine if the purchase of the Participation Interest is suitable for Participant.

2. Participant also represents to Landmarc that Participant meets one of the suitability standards contained in the second and third columns in the table below and the suitability standard contained in the fourth column, if applicable, to enter into the Participation Agreement and to purchase the Participation Interest. If a fiduciary is representing the Participant, then the fiduciary represents that it meets one of these conditions. If the Participation Interest is a gift to a minor, the custodian or the donor represents that it meets these conditions. For purposes of the net worth calculations below, net worth is the amount by which Participant's assets exceed Participant's liabilities, but excluding Participant's house, home furnishings or automobile(s) among Participant's assets. The inclusion of a state in the chart below is for informational purposes only.

Column 1	Column 2	Column 3	Column 4
State(s)	1. Minimum Net Worth AND Minimum Gross Income	Minimum Net Worth	2. Additional Standards
Alabama, Arkansas, Colorado, Connecticut,			

Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Kentucky, Michigan, Minnesota, Montana, New York, Oklahoma, Oregon, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin	\$45,000/\$45,000		\$150,000		N/A
		O R		AND	
Arizona, Alaska, California, Iowa, Massachusetts, Mississippi, Missouri, New Jersey, North Carolina	\$60,000/\$60,000		\$225,000		Minimum investment in Iowa for IRAs is \$3,000. Minimum investment in North Carolina is \$5,000
Maine	\$50,000/\$50,000		\$200,000		N/A
New Hampshire, New Mexico	\$125,000/\$50,000		\$250,000		N/A
Tennessee	\$250,000/\$65,000		\$500,000		N/A
Nevada	\$45,000/\$45,000		\$150,000		Minimum investment is \$5,000 (\$2,000 for IRAs)
Kansas, Ohio, Pennsylvania	\$45,000/\$45,000		\$150,000		Investment is less than 10% of Net Worth.
District of Columbia, Louisiana, North Dakota, Rhode Island	These jurisdictions do not have quantified suitability requirements. Lender believes that it is reasonable to rely upon suitability standards set forth in Alabama et al.				
Maryland, South Dakota, Wyoming	No minimum requirements. Disclosure state only. Guidelines for the preponderance of the states above will be followed.				

3. In addition to the required financial disclosures, Participant acknowledges and represents to Landmarc, as follows:

DECLARATION OF JEFF PETERSON

I, Jeff Peterson, make the following declaration:

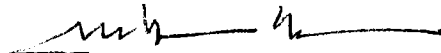
1. I was the Vice President of Landmarc Capital & Investment Company prior to it being placed in receivership on June 24, 2009, and in that capacity I was personally involved in dealings between Landmarc and its lenders, including Landmarc Capital Partners, LLC ("Partners"), the Warehouse Credit Facility Lenders and the Loan Participation Lenders.

2. Although Landmarc's standard agreement with its Loan Participation Lenders did not expressly require Landmarc to execute and record an assignment of beneficial interest assigning to the Loan Participation Lender its percentage participation in the Loan, it was understood by the Loan Participation Lender that such an assignment would be executed and recorded. In these cases where such an assignment was not recorded, it was not an intentional omission but rather the result of an oversight on Landmarc's part.

3. Even though no written agreements were executed between Landmarc and Partners, the participation interests funded by Partners were treated by Landmarc and Partners in the same manner as the other participation interests acquired from Landmarc.

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

Executed this ~~25th~~ day of JAN, 2012.



Jeff Peterson

1157-027.02(111464)

C000591

Exhibit D

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Receiver's Recommendations

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	Receiver's Recommendations					Possibly Adverse POC		
					L	K	J	I	H		G	F
A	B	C	D	E	F	G	H	I	J	K	L	M
6882	AHCOPEN02	06080604	Rosales (1st DOT)	REO	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b	
7001	BALFOUR1	06070546	Bos	Current	80.121%	80.12%	0.0%	0.0%	80.12%	1h	4b9c	
7001	BALFOUR1	06040324	Mitchell	REO	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5b	
7000	BALFOUR2	06060435	Cabrales	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5a	8035
8545	BALL	06110811	Feneck	REO	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5b	
8545	BALL	06070550	Garcia	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
7012	BECKER	07030938	Hernandez	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	
7012	BECKER	07010883	Rodriguez	Current	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b	6633
7013	BEHRENDT	08031896	141 Route 69, LLC	FCLS/BK	5.4%	5.4%	0.0%	5.4%	5.4%	1b	8d9c	
7013	BEHRENDT	07061120	Espinoza	Current	14.7%	14.7%	0.0%	14.7%	14.7%	1b	4b	
7028	BLOCH	06080584	Martinez	Current/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	6529
7076	CHOPRA	08031896	141 Route 69, LLC	FCLS/BK	15.1%	15.1%	0.0%	15.1%	15.1%	1b	8d9c	
7076	CHOPRA	08021878	We Did Our Part, LLC	REO	8.6%	8.6%	0.0%	8.6%	8.6%	1b	8c9c	
8543	CJINVESTOR	6050388	Delgado	Paid Off/Trans	100.0%	100.0%	0.0%	100.0%	NA	3a	na	
8543	CJINVESTOR	07061120	Espinoza	Current					NA	3a	na	
7085	CLARKE	08031896	141 Route 69, LLC	FCLS/BK	1.5%	1.5%	0.0%	1.5%	1.5%	1b	8d/9c	
7085	CLARKE	07061120	Espinoza	Current	7.4%	7.4%	0.0%	7.4%	7.4%	1b	4b	
7095	COHEN	LC050120	Ramsey	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	
7096	COHEN1	07121853	Presidio West 197, LLC	REO	3.7%	3.7%	0.0%	0.0%	3.7%	1h	9c	
7096	COHEN1	06030283	Barela	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	
7096	COHEN1	07030984	Durlin	REO	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5b	
7096	COHEN1	06120859	Germain	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	
7096	COHEN1	07051065	Quintana	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	
7096	COHEN1	07041034	Rodriguez	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
7096	COHEN1	06080566	Saffer	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
7096	COHEN1	07020932	The Retreat at Buffalo Ridge, LLC	Sold/Trans	61.7%	61.7%	100.0%	100.0%	61.7%	1a	8a	
7110	CRAIGOW	06050372	Horning	REO	11.1%	11.1%	0.0%	11.0%	11.1%	1h	8c	8035
6327	CROSSTIMB	06020170	Sharp	REO	100.0%	100.0%	99.0%	0.0%	99.0%	1a	6b	

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	Receiver's Recommendations										Possibly Adverse POC	
					A	B	C	D	E	F	G	H	I	J		K
7125	DEEM	07020912	Duenez (2nd DOT)	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	5a	
7125	DEEM	07020907	Johnson	Current/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	6642	
7126	DEEM1	07051074	Fera	REO/Trans	31.7%	31.7%	0.0%	31.7%	100.0%	0.0%	31.7%	0.0%	1b	na	6713	
7126	DEEM1	06120846	Bone	FCLS/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a		
7126	DEEM1	LC050737	Brown	REO/Trans	100.0%	100.0%	90.0%	0.0%	0.0%	0.0%	0.0%	90.0%	1a	5a		
7126	DEEM1	LC051007	Craig	REO/Trans	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	1a	5a		
7126	DEEM1	06120837	Garcia	FCLS	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5d		
8535	DEERLODGE	LC050733	Holland	REO/Trans	100.0%	100.0%	99.0%	100.0%	100.0%	99.0%	100.0%	100.0%	1a	6a		
7129	DESETRTRAI	08031896	141 Route 69, LLC	FCLS/BK	0.6%	0.6%	0.0%	0.6%	0.6%	0.0%	0.6%	0.6%	1b	8d9c	Oxford Group	
7129	DESETRTRAI	08081976	4405 Speedway, LLC	FCLS	1.5%	1.5%	0.0%	4.4%	0.0%	0.0%	4.4%	1.5%	1br	8d9c		
7129	DESETRTRAI	060403362N	Acevedo (2nd DOT)	REO	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	1h	5b		
7129	DESETRTRAI	07030977	Bassett	Sold	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	1h	8b		
7129	DESETRTRAI	07091799	Callahan	REO	15.0%	15.0%	17.7%	15.0%	15.0%	17.7%	15.0%	15.0%	1a	8c	8035	
7129	DESETRTRAI	08011873	CBI Developers, Inc	REO	7.8%	7.8%	0.0%	0.0%	0.0%	0.0%	0.0%	7.8%	1h	8c	8035/8429	
7129	DESETRTRAI	08081970	CBI Developers, Inc	REO	1.1%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	1h	8c9c		
7129	DESETRTRAI	07081204	Frazier	Sold/CB	13.3%	13.3%	0.0%	0.0%	0.0%	0.0%	0.0%	13.3%	1h	4b	8142/8548/8549	
7129	DESETRTRAI	LISBON	Gad (2nd DOT)	REO	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	1h	8d	8035	
7129	DESETRTRAI	06080631	Garcia	Charged Off								NA	3c	na		
7129	DESETRTRAI	06060443	Granados	FCLS/FA	59.5%	59.5%	0.0%	100.0%	100.0%	0.0%	100.0%	59.5%	1b	4b		
7129	DESETRTRAI	07020923	Gronau	Sold/Trans	9.5%	9.5%	0.0%	0.0%	0.0%	0.0%	0.0%	9.5%	1h	8a		
7129	DESETRTRAI	LC050627	Gutierrez (2nd DOT)	Def	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b		
7129	DESETRTRAI	06010122	Hapsburg (2nd DOT)	Def	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	8d		
7129	DESETRTRAI	07111845	Hubbard (2nd DOT)	Def	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b	6480	
7129	DESETRTRAI	06050394	Ireland	REO	41.1%	41.1%	0.0%	0.0%	0.0%	0.0%	0.0%	41.1%	1h	8c		
7129	DESETRTRAI	06030257	Luna	REO	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	1h	5b	8035	
7129	DESETRTRAI	LC050509	Melvin Harter Ministries, Inc	REO	33.3%	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%	33.3%	1h	7b		
7129	DESETRTRAI	LC040912	O'Neal	FCLS	50.0%	50.0%	0.0%	50.0%	50.0%	0.0%	50.0%	50.0%	1b	8d	7557	
7129	DESETRTRAI	051140	Penny	Sold	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	1h	8b		

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	Receiver's Recommendations										Possibly Adverse POC
					A	B	C	D	E	F	G	H	I	J	
7129	DESERTTRAI	06030207	PoirierWestend Investments, LLC	REO	4.8%	4.8%	0.0%	0.0%	0.0%	4.8%	1h	8c			
7129	DESERTTRAI	07121853	Presidio West 197, LLC	REO	2.2%	2.2%	0.0%	0.0%	0.0%	2.2%	1h	9c			
7129	DESERTTRAI	07121849	Presidio West 37, LLC	REO	13.4%	13.4%	0.0%	0.0%	0.0%	13.4%	1h	8c	7094		
7129	DESERTTRAI	06100774	Pribyl	Sold/Trans	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1a	8a	8035		
7129	DESERTTRAI	06040293	Reagan	REO	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1a	8c	8035		
7129	DESERTTRAI	07061112	Rios	REO	20.7%	20.7%	0.0%	0.0%	20.7%	20.7%	1h	8c			
7129	DESERTTRAI	LC040302	Smith	Current	50.0%	50.0%	0.0%	0.0%	50.0%	50.0%	1b	4b			
7129	DESERTTRAI	WESTERN	Western Fiduciary, LLC	Sold	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	8b			
7129	DESERTTRAI	08091983	Wilcox	Paid Off	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	7b			
7129	DESERTTRAI	060101483R	Young	Def	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	4b			
7137	DOUCET	LC050310	Mejias	Current	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	4b			
7369	DVHMGMT	07121853	Presidio West 197, LLC	REO	3.4%	3.4%	0.0%	0.0%	3.4%	3.5%	1b	9c			
7148	ELKHORN	08021881	2405 University & 4044 16th St, LLC	Current	77.7%	77.7%	0.0%	0.0%	77.7%	77.7%	1b	4b			
7149	ELLIOTT	06110795	Morquecho	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	4a			
8533	EMPIRE	07051054	Buck	REO/Trans	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	8b			
8533	EMPIRE	07091799	Callahan	REO	25.2%	25.2%	0.0%	0.0%	0.0%	25.2%	1h	8c	8035		
8533	EMPIRE	07081204	Frazier	Sold/CB	10.6%	10.6%	0.0%	0.0%	0.0%	10.6%	1h	4b	8142/8548/8549		
8533	EMPIRE	07081208	Thompson	REO	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%	na	na	6765		
7288	FRIEDMAN	LC050509	Melvin Harter Ministries, Inc	REO	11.1%	11.1%	0.0%	0.0%	0.0%	11.1%	1h	7b			
7288	FRIEDMAN	06030254	Baltierrez (1st DOT)	REO	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	5b	8035		
7288	FRIEDMAN	06090669	Brinton (1st DOT)	REO	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	5b			
7293	FULLER	08041909	Phx Jewish Comm. Nursing Home	Paid Off/Trans	16.7%	16.7%	0.0%	0.0%	16.7%	16.7%	1b	7a			
7306	GDOUCET	LC050223	Meza	Paid Off	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1h	8b			
7329	GREENBERG1	06040336	Acevedo (1st DOT)	FCLS	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1b	4b			
7337	GRIMM	08021878	We Did Our Part, LLC	REO	14.3%	14.3%	0.0%	0.0%	14.3%	14.3%	1b	8c9c			
7341	HAGEN	07041012	Gilder	REO/Trans	44.4%	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a			
7021	HARVANENTR	06070554	Murray	Charged Off	100.0%	100.0%				NA	3c	na			
7356	HAYDEN	08031896	141 Route 69, LLC	FCLS/BK	1.4%	1.4%	0.0%	1.4%	1.4%	1.4%	1b	8d9c	Oxford Group		

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Receiver's Recommendations

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	Claimed					Approved			Possibly Adverse POC
					LCI %	%	Fee	ABI	%	Codes	Codes	Codes	
A	B	C	D	E	F	G	H	I	J	K	L	M	
7356	HAYDEN	07091799	Callahan	REO	9.3%	9.4%	10.8%	9.0%	9.4%	1a	8c	8035	
7356	HAYDEN	07020919	Asuncion	Charged Off	100.0%	100.0%	0.0%	0.0%	NA	3c	na	8035	
7356	HAYDEN	08011873	CBI Developers, Inc	REO	5.4%	5.4%	0.0%	0.0%	5.4%	1h	8c	8035/8429	
7356	HAYDEN	06050370	Garcia	Sold/Trans	100.0%	100.0%	100.0%	0.0%	100.0%	1a	8a		
7356	HAYDEN	07041012	Gilder	REO	55.6%	55.6%	0.0%	0.0%	0.0%	na	na		
7356	HAYDEN	07020923	Gronau	Sold/Trans	90.5%	90.5%	0.0%	0.0%	90.5%	1h	8a		
7356	HAYDEN	06070508	Honeycutt	Sold/Trans	40.8%	40.8%	41.0%	0.0%	40.8%	1a	8a		
7356	HAYDEN	07030953	Lehman	Sold	12.3%	12.3%	0.0%	0.0%	12.3%	1h	8b		
7356	HAYDEN	08061942	Loyola-Sauza	REO	100.0%	100.0%	0.0%	100.0%	100.0%	1h	8c	8035	
7356	HAYDEN	06040343	Lucero (2nd DOT)	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	8c		
7356	HAYDEN	07020915	Monte Vista Home Solutions, LLC	Sold/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	8a		
7356	HAYDEN	06040340	Newton	Sold/Trans	100.0%	100.0%	100.0%	0.0%	100.0%	1a	8a		
7356	HAYDEN	07121849	Presidio West 37, LLC	REO	13.6%	13.6%	0.0%	0.0%	13.6%	1h	8c	7094	
7356	HAYDEN	06070544	Robinson	Sold/Trans	100.0%	100.0%	100.0%	0.0%	100.0%	1a	8a	8035	
7365	HAYDEN	07051082	Slavin	Paid Off/Trans	19.8%	19.8%	0.0%	0.0%	19.8%	3a	na		
7356	HAYDEN	SOUNDBITES	Sound Bites Restaurant, LLC	Sold	54.9%	54.9%	0.0%	0.0%	54.9%	1h	8b		
7356	HAYDEN	07020932	The Retreat at Buffalo Ridge, LLC	Sold	38.3%	38.3%	0.0%	0.0%	38.3%	1h	8b		
7356	HAYDEN	06050406	Zuniga, D	Charged Off	100.0%	100.0%			NA	3c	na		
7371	HIGBEE	06110819	Ozuna	Charged Off					NA	3c	na		
7380	HOOKERS	08031896	141 Route 69, LLC	FCLS/BK	3.0%	3.0%	0.0%	3.0%	3.0%	1b	8d9c		
7380	HOOKERS	08021878	We Did Our Part, LLC	REO	5.7%	5.7%	0.0%	5.7%	5.7%	1b	8c9c		
7392	HJMPHED	LC050509	Melvin Harter Ministries, Inc	REO	2.8%	2.8%	0.0%	0.0%	2.8%	1h	7b		
8539	HUNGRY	07030964	Presidio West, LLC	Paid Off/Trans	1.1%	1.1%	0.0%	0.0%	NA	3a	na		
7408	JAMIESON	06070546	Bos	Current	19.9%	19.9%	0.0%	0.0%	19.9%	1h	4b9c		
7418	JOYCEP	06070532	Totten	REO/Trans	100.0%	99.0%	99.0%	0.0%	99.0%	1a	6a		
8537	JUTZI	08021883	Amec Mid-City Animal Hospital, LLC	Current	9.2%	9.2%	0.0%	9.2%	9.2%	1h	4b		
7421	KAY01	LC040904	Christenson	Paid Off/Trans	94.7%	94.7%	0.0%	94.7%	94.7%	1b	7a		
7421	KAY01	06043433RD	Lucero (3rd DOT)	Def	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b		

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					A	B	C	D	E	F	G	H	I	J		K
7421	KAY01	07121867	Molina	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	4a	
7421	KAY01	08041909	Phx Jewish Comm. Nursing Home	Paid Off/Trans	11.9%	11.9%	0.0%	11.9%	11.9%	0.0%	11.9%	11.9%	1b	7a		
7421	KAY01	LC050540	Potter	Paid Off/Trans	22.3%	22.3%	0.0%	22.3%	22.3%	0.0%	22.3%	22.3%	1b	7a		
7421	KAY01	06090653	Saenz	FCLS/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a		
7432	KEPEEDO	06080563	Rodriguez	FCLS	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1h	4b		
8469	KEPESENTRU	06060492	Aragon	REO	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e		
8469	KEPESENTRU	07030976	Carrione	FCLS	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e		
8469	KEPESENTRU	06080580	Duran	REO	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e		
8469	KEPESENTRU	07010880	Gant	REO	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1h	9e		
8469	KEPESENTRU	06120832	Garcia (2nd DOT)	Current	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e		
8469	KEPESENTRU	07051057	Morquecho	FCLS	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e		
8469	KEPESENTRU	07020936	Olivos	REO	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1h	9e	8035	
8469	KEPESENTRU	LC050913	Phelps	PFA	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e	6855	
8469	KEPESENTRU	08121995	Queen	Current	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e		
8469	KEPESENTRU	QUAIL	Reeves	REO	81.9%	81.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1a	9e		
8469	KEPESENTRU	LC050219	Taylor (2nd DOT)	Def	53.3%	53.3%	0.0%	53.3%	53.3%	0.0%	53.3%	53.3%	1b	9e		
8469	KEPESENTRU	LC050404	Valencia (2nd DOT)	Def	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	9e		
7436	KEPESR	LC050219	Taylor (2nd DOT)	Def	46.7%	46.7%	0.0%	46.7%	46.7%	0.0%	46.7%	46.7%	1b	9e		
7438	KHAN	06080593	Corrales	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a		
7451	KRIEG	08061938	Aragon	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a		
7453	KRONOS	06050401	Careaga	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a		
7455	KRUGLUK	06100753	Cantu	REO	100.0%	100.0%	0.0%	66.7%	66.7%	0.0%	66.7%	100.0%	1h	5b		
7976	LCPARTNER	08031896	141 Route 69, LLC	FCLS/BK	36.3%	36.3%	0.0%	55.9%	55.9%	0.0%	55.9%	36.3%	1b	8d9c		
7976	LCPARTNER	08021881	2405 University & 4044 16th St, LLC	Current	22.3%	22.3%	0.0%	0.0%	0.0%	0.0%	0.0%	22.3%	1h	4b		
7976	LCPARTNER	08081976	4405 Speedway, LLC	FCLS	53.9%	53.9%	0.0%	53.9%	53.9%	0.0%	53.9%	54.4%	1br	8d9c		
7976	LCPARTNER	08021886	5171 Highway 65, LLC	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f		
7976	LCPARTNER	08051920	6900 Camelback, LLC	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f		
7976	LCPARTNER	06010134	Aaron	Current/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1i	4ad		

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					A	B	C	D	E	F	G	H	I	J		K
7976	LCPARTNER	08061935	Aguilar	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f	
7976	LCPARTNER	07111830	Alvarez	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	1b	5f		
7976	LCPARTNER	06050368	Arellano	Sold	100.0%	100.0%	0.0%	30.9%	100.0%	100.0%	0.0%	100.0%	1h	8b		
7976	LCPARTNER	07051066	Arp	FCLS	97.5%	97.5%	0.0%	79.1%	100.0%	100.0%	0.0%	100.0%	1h	9b	8434	
7976	LCPARTNER	08071957	Ashgaalin Holdings, LLC	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	1b	5f		
7976	LCPARTNER	06070533	Betzold	Sold	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	8b		
7976	LCPARTNER	07071137	Cadenas	FCLS	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	5d		
7976	LCPARTNER	07091799	Callahan	REO	0.0%	0.0%	9.1%	9.1%	0.0%	0.0%	0.0%	0.0%	3a	na	8035	
7976	LCPARTNER	06030252	Camacho	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1i	5a		
7976	LCPARTNER	08041911	Canjura	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	1b	5f		
7976	LCPARTNER	08081970	CBI Developers, Inc	REO	90.1%	90.1%	57.7%	57.7%	0.0%	0.0%	0.0%	90.1%	1h	8c9c		
7976	LCPARTNER	08021885	Diaz	Sold	70.7%	70.7%	0.0%	75.8%	100.0%	100.0%	0.0%	100.0%	1b	8b	6811/8432	
7976	LCPARTNER	EMP09-004	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-008	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-009	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-012	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-013	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-015	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-016	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-017	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-018	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-019	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-020	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-021	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-022	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-023	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-024	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	
7976	LCPARTNER	EMP09-025	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	0.0%	100.0%	1h	4b	8035	

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									E	F	G	
A	B	C	D	E	F	G	H	I	J	K	L	M
7976	LCPARTNER	EMP09-026	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-027	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-028	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-029	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-030	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-031	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-036	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-037	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP09-038	Empire Acceptance, Inc	Def	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	8035
7976	LCPARTNER	EMP08-002	Empire Acceptance, Inc	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f	8035
7976	LCPARTNER	EMP09-032	Empire Acceptance, Inc	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f	8035
7976	LCPARTNER	EMP09-033	Empire Acceptance, Inc	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f	8035
7976	LCPARTNER	EMP09-034	Empire Acceptance, Inc	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f	8035
7976	LCPARTNER	EMP09-035	Empire Acceptance, Inc	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f	8035
7976	LCPARTNER	07121866	Escalante	Sold	100.0%	100.0%	100.0%	100.0%	100.0%	1a	8b	
7976	LCPARTNER	07061120	Espinoza	Current	48.5%	48.8%	0.0%	48.5%	48.5%	1b	4b9c	Oxford Group
7976	LCPARTNER	06010124	Fagan	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5f	
7976	LCPARTNER	07051074	Fera	REO/Trans	68.3%	68.3%	0.0%	68.3%	68.3%	1b	5a	6713
7976	LCPARTNER	07071142	Galvez	FCLS	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b	
7976	LCPARTNER	06090690	Garza	FCLS	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b	
7976	LCPARTNER	06060443	Granados	FCLSFA	40.5%	40.5%	0.0%	40.5%	40.5%	1i	4b	
7976	LCPARTNER	07081788	Gutierrez	Charged Off	100.0%	100.0%	0.0%	100.0%	NA	3c	na	
7976	LCPARTNER	07081200	Hernandez	Loan Sold	100.0%	100.0%	0.0%	100.0%	100.0%	1b	8b	6762
7976	LCPARTNER	07111834	Hubbard (1st DOT)	Def/Trans	48.3%	48.3%	0.0%	48.3%	48.3%	1b	4a	6480
7976	LCPARTNER	07071175	Lopez	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	5f	
7976	LCPARTNER	08021884	Martos	Current/Trans	0.0%	0.0%	0.0%	0.0%	NA	3a	na	
7976	LCPARTNER	08051918	May	Sold	87.9%	87.9%	0.0%	0.0%	87.9%	1h	8b	8035
7976	LCPARTNER	08061945	Miesel	Def	96.0%	96.0%	0.0%	10.1%	96.0%	1h	8d	

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					A	B	C	D	E	F	G	H	I	J	
7976	LCPARTNER	07061130	MSI Westgate, LLC	REO/Trans	32.5%	32.5%	0.0%	0.0%	0.0%	0.0%	32.5%	1a	5e	8035/8533	
7976	LCPARTNER	07051090	Nevarez	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	100.0%	1b	5f		
7976	LCPARTNER	07081784	Onofre	REO	11.4%	11.4%	0.0%	0.0%	0.0%	11.4%	1h	8c			
7976	LCPARTNER	08091988	Pebler Brothers Construction, Inc	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	5f			
7976	LCPARTNER	08051927	Porter 20, LLC	FCLS	85.4%	85.4%	0.0%	80.3%	80.3%	85.4%	1h	4b			
7976	LCPARTNER	08041902	Porter, Michael	REO	12.5%	12.5%	0.0%	12.5%	12.5%	12.5%	1b	8c9c	Oxford Group		
7976	LCPARTNER	07121853	Presidio West 197, LLC	REO	16.4%	16.4%	0.0%	16.4%	16.4%	16.4%	1b	9c			
7976	LCPARTNER	LC051114	Saldate	Def	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	4b			
7976	LCPARTNER	07071161	Serna	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	5f			
7976	LCPARTNER	06080610	Sisneros	Current	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1h	4b			
7976	LCPARTNER	07111829	Stewart	Sold	5.2%	5.2%	0.0%	0.0%	0.0%	7.8%	1hr	8b			
7976	LCPARTNER	08061947	Surprise Prep School, LLC	Current	39.0%	39.0%	0.0%	32.3%	32.3%	39.0%	1h	4a			
7976	LCPARTNER	08031890	Terhune	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	5f			
7976	LCPARTNER	08041903	Two Six Seven Investments, LLC	REO	28.0%	28.0%	0.0%	28.0%	28.0%	28.0%	1b	8d9c	Oxford Group		
7976	LCPARTNER	LC051022	Vela	Def	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1h	4b			
7976	LCPARTNER	07041032	Velazquez	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	5f			
7976	LCPARTNER	08021878	We Did Our Part, LLC	REO	20.8%	20.8%	0.0%	20.8%	20.8%	20.8%	1b	8c9c	Oxford Group		
8401	LDMACCEPT	08031896	141 Route 69, LLC	FCLS/BK	1.2%	1.2%	0.0%	1.2%	1.2%	1.2%	1b	8d9c	Oxford Group		
8401	LDMACCEPT	08021877	Brown	Def/Trans	31.9%	31.9%	0.0%	32.0%	32.0%	31.9%	1b	4a			
8401	LDMACCEPT	07091794	Jefferson	Paid Off/Trans	8.5%	8.5%	0.0%	8.5%	8.5%	8.5%	1b	7a			
8401	LDMACCEPT	LC050111	Lujan	Paid Off/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	7a			
8401	LDMACCEPT	08051927	Porter 20, LLC	FCLS	1.4%	1.4%	0.0%	1.4%	1.4%	1.4%	1b	4b			
8401	LDMACCEPT	07121853	Presidio West 197, LLC	REO	2.2%	2.2%	0.0%	0.0%	0.0%	2.2%	1h	9c			
8401	LDMACCEPT	LC050425	Soldier	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	1b	4a			
8401	LDMACCEPT	08061947	Surprise Prep School, LLC	Current/Trans	2.9%	2.9%	0.0%	3.0%	3.0%	2.9%	1b	4a			
8401	LDMACCEPT	06070507	DMH Investments L.L.C.	REO	57.1%	57.1%	57.0%	0.0%	0.0%	57.1%	1a	8c			
8401	LDMACCEPT	LC050540	Potter	Paid Off/Trans	77.7%	77.7%	0.0%	77.7%	77.7%	77.7%	1b	7a			
8401	LDMACCEPT	06070493	Wilson	REO/Trans	34.1%	34.1%	100.0%	0.0%	0.0%	34.1%	1a	5a			

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	Receiver's Recommendations											Possibly Adverse POC	
					A	B	C	D	E	F	G	H	I	J	K		L
8529	LDMPENS	08031896	141 Route 69, LLC	FCLS/BK	19.7%	19.7%	0.0%	21.0%	19.8%	1b	8d9c						Oxford Group
8529	LDMPENS	08081970	CBI Developers, Inc	REO	1.0%	0.9%	0.9%	0.9%	1.0%	1h	8c9c						
8529	LDMPENS	08051927	Porter 20, LLC	FCLS	3.6%	3.6%	0.0%	3.6%	3.6%	1b	4b						
8529	LDMPENS	07121853	Presidio West 197, LLC	REO	9.6%	9.6%	0.0%	0.0%	9.6%	1h	9c						
8529	LDMPENS	08061947	Surprise Prep School, LLC	Current/Trans	11.8%	11.8%	0.0%	11.8%	11.8%	1b	4a						
8529	LDMPENS	06070493	Wilson	REO/Trans	65.9%	65.9%	0.0%	0.0%	65.9%	1a	5a						
8529	LDMPENS	07101812	Avena/Villa	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	6780					
8529	LDMPENS	08031893	Booth	Paid Off/Trans	100.0%	100.0%	0.0%	0.0%	100.0%	1b	7a						
8529	LDMPENS	06110808	Brinton (2nd DOT)	Charged Off	100.0%	100.0%	26.4%	26.4%	NA	3c	na						
8529	LDMPENS	08021877	Brown	Def/Trans	68.1%	68.1%	0.0%	68.1%	68.1%	1b	4a						
8529	LDMPENS	06120827	De La Rosa (2nd DOT)	Charged Off	100.0%	100.0%			NA	3c	na						
8529	LDMPENS	06080624	Hernandez	Charged Off	100.0%	100.0%			NA	3c	na	8425					
8529	LDMPENS	0602165	Hoegner	Charged Off	100.0%	100.0%			NA	3c	na						
8529	LDMPENS	07061117	Hyatt	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	6732					
8529	LDMPENS	07091794	Jefferson	Paid Off/Trans	91.5%	91.5%	0.0%	91.5%	91.5%	1b	7a						
8529	LDMPENS	08051918	May	Sold	12.1%	12.1%	0.0%	12.1%	12.1%	1h	8b	8035					
8529	LDMPENS	08041915	McGowan	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	6826					
8529	LDMPENS	LC050928	Miner	REO/Trans	100.0%	100.0%	100.0%	0.0%	100.0%	1a	5a						
8529	LDMPENS	LC050506	Morales	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a						
8529	LDMPENS	06120839	Niebla	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a						
8529	LDMPENS	06100787	Olguin	Charged Off	100.0%	100.0%	100.0%	100.0%	NA	3c	na						
8529	LDMPENS	08041907	Thorsby	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a						
8529	LDMPENS	LC041009	Twyman	FCLS/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	7571					
8529	LDMPENS	LC050203	Williams	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a						
8529	LDMPENS	LC050307	Zingale, J	REO/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	8035					
7988	LESHNER	07061120	Espinoza	Current	14.7%	14.7%	0.0%	14.7%	14.7%	1b	4b						
8022	MACKEN1	08021878	We Did Our Part, LLC	REO	14.3%	14.3%	0.0%	14.3%	14.3%	1b	8c9c						
8022	MACKEN1	08041902	Porter, Michael	REO	33.3%	33.3%	0.0%	33.3%	33.3%	1b	8c9c						

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	Receiver's Recommendations								Possibly Adverse POC
					L	K	J	Codes	M	F	G	H	
A	B	C	D	E	F	G	H	I	J	K	L	M	
8547	MANNY	07121849	Presidio West 37, LLC	REO	2.5%	2.5%	0.0%	0.0%	2.5%	1h	8c	7094	
8032	MANNY	06080603	Shields	Charged Off					NA	3c	na		
8542	MILVERTON	05120066	Ramsey	Paid Off/Trans	100.0%	100.0%	0.0%	100.0%	NA	3a	na		
8071	MOCK	LC031202	Marion (2nd DOT)	Def	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b		
8079	MONTEREY	07121853	Presidio West 197, LLC	REO	50.0%	50.0%	0.0%	50.0%	50.0%	1b	9c		
8085	MUI	06060474	Smith	Current/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a		
8087	MURRAYR	06050387	Vega	REO/Trans	100.0%	100.0%	99.0%	0.0%	100.0%	1a	6a		
8135	PETERSEND1	06060459	Seaman	Current	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b		
8137	PETERSON	LC050831	Chournos	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	7872/7873	
8137	PETERSON	LC050836	Chournos	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	7872/7873	
8536	PORTELGIN	02120070	Gary	Paid Off/Trans	100.0%	100.0%	0.0%	100.0%	NA	3a	na		
8536	PORTELGIN	LC050904	Mando	Paid Off/Trans	100.0%	100.0%	0.0%	100.0%	NA	3a	na		
8536	PORTELGIN	06050402	Vasquez	Paid Off/Trans	100.0%	100.0%	0.0%	100.0%	NA	3a	na		
8155	RADER	07061120	Espinoza	Current	14.7%	14.7%	0.0%	14.7%	14.7%	1b	4b		
8161	REDSTAG	08021883	Amec Mid-City Animal Hospital, LLC	Current/Trans	20.8%	20.8%	0.0%	20.8%	20.8%	1b	4a		
8180	ROTHBERG	06050415	Blumenstein	REO/Trans	100.0%	100.0%	99.0%	0.0%	99.0%	1a	6a		
8183	RRUSSELL	08021883	Amec Mid-City Animal Hospital, LLC	Current/Trans	50.0%	50.0%	0.0%	50.0%	50.0%	1b	4a		
8183	RRUSSELL	08021878	We Did Our Part, LLC	REO	17.1%	17.1%	0.0%	17.1%	17.1%	1b	8c9c		
8185	RUBINTR	06070508	Honeycutt	REO/Trans	59.2%	59.2%	59.0%	0.0%	59.2%	1h	8a		
8185	RUBINTR	06060432	Jimenez	Sold	100.0%	100.0%	0.0%	100.0%	100.0%	1h	8b	6455	
8189	RUSSO	06050372	Horning	REO	14.1%	14.1%	0.0%	14.1%	14.1%	1h	8c	8035	
8231	SINGER	06080608	Munoz	FA/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a		
8242	SNEED	06050372	Horning	REO	4.7%	4.7%	0.0%	4.7%	4.7%	1h	8c	8035	
8244	SOLHEIMJ	08031896	141 Route 69, LLC	FCLS/BK	0.6%	0.6%	0.0%	0.6%	0.6%	1b	8d9c		
8245	SOLHEIMR	08041902	Porter, Michael	REO	38.8%	38.8%	0.0%	38.8%	38.8%	1b	8c9c		
8245	SOLHEIMR	08041903	Two Six Seven Investments, LLC	REO	46.7%	46.7%	0.0%	46.7%	46.7%	1b	8d9c		
8245	SOLHEIMR	08031896	141 Route 69, LLC	FCLS/BK	15.1%	15.1%	0.0%	15.1%	15.1%	1b	8d9c		
8245	SOLHEIMR	07111834	Hubbard (1st DOT)	Def/Trans	51.7%	51.7%	0.0%	51.7%	51.7%	1b	4a	6480	

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	Receiver's Recommendations						Possibly Adverse POC	
					L	K	J	I	H	G		F
A	B	C	D	E	F	G	H	I	J	K	L	M
8552	SPALD01	08021884	Martos	Current/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	
8278	STATION	06030207	Poirier/Westend Investments, LLC	REO	3.2%	3.2%	0.0%	0.0%	3.2%	1h	8c	
8278	STATION	FLORENCE	Florence Ironhorse Rodeo Cons. LLC	Current	100.0%	100.0%	0.0%	0.0%	100.0%	1h	4b	
8534	STILLRIVER	05120086	Mata	REO	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5b	
8314	TARCHENSKI	06090652	Rosales (2nd DOT)	REO/Trans	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	
8314	TARCHENSKI	06070548	Hensley (2nd DOT)	Lost to First	100.0%	100.0%	100.0%	100.0%	100.0%	1a	5a	
8352	URQUIETA	08021878	We Did Our Part, LLC	REO	17.1%	17.1%	0.0%	17.1%	17.1%	1b	8c9c	
8362	VANBLADEL	08041902	Porter, Michael	REO	15.5%	15.5%	0.0%	15.5%	15.5%	1b	8c9c	
8540	WALKERTON	08021883	Amec Mid-City Animal Hospital, LLC	Current/Trans	8.3%	8.3%	0.0%	8.3%	8.3%	1b	4a	
8541	WHITEFISH	08021883	Amec Mid-City Animal Hospital, LLC	Current/Trans	11.7%	11.7%	0.0%	11.7%	11.7%	1b	4a	
8380	WHITETRUST	LC041106	Magee (2nd DOT)	Def	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4b	
8538	WILLOWDALE	LC050632	Decausmaker	Paid Off/Trans	100.0%	100.0%	0.0%	100.0%	NA	3a	na	
8400	WISS	06080578	Hernandez	Current/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	
8400	WISS	07121849	Presidio West 37, LLC	REO	7.9%	7.9%	0.0%	0.0%	7.9%	1h	8c	7094
8400	WISS	06010143	Bloom	Def/Trans	100.0%	100.0%	0.0%	100.0%	100.0%	1b	4a	
8403	WISSZ	LC040904	Christenson	Paid Off/Trans	5.3%	5.3%	0.0%	5.0%	5.3%	1b	7a	
8405	WOLFSD	LC050509	Melvin Harter Ministries, Inc	REO	33.3%	33.3%	0.0%	0.0%	33.3%	1h	7b	
8405	WOLFSD	08061947	Surprise Prep School, LLC	Current/Trans	2.4%	2.4%	0.0%	2.4%	2.4%	1b	4a	
8406	WOLFSP	LC050509	Melvin Harter Ministries, Inc	REO	19.4%	19.4%	0.0%	0.0%	19.5%	1h	7b	
8406	WOLFSP	08061947	Surprise Prep School, LLC	Current/Trans	4.9%	4.9%	0.0%	4.9%	4.9%	1b	4a	

Column	Explanation
A	Claim Number of the LP Lender
B	Lender Code used by Landmarc (See paragraph 12 of Petition No. 54)
C	Landmarc's Loan Number
D	Name of Borrower (Only the last name of individual borrowers is shown)
E	Current Status of Loan
F	Percentage of Ownership per Landmarc's records

Schedule of Receiver's Recommendations Regarding Loan Participation Lender Claims

Claim No.	Claimant	LCI Loan No.	Name of Borrower	Current Status	LCI %	Claimed %	Fee	ABI	Receiver's Recommendations			Possibly Adverse POC
									A	B	C	

G		Percentage of Ownership Claimed by Claimant											
H		Fee Title percentage held on 6/24/09											
I		Percentage of Beneficial Interest Assigned to Claimant by a duly recorded Assignment as of 6/24/09											
J		Percentage Recommended by the Receiver for Court Approval											
K		Approval Code explaining the basis of the recommendation (See Exhibit G)											
L		Disposition Code explaining the proposed disposition (See Exhibit G)											
M		Potentially Adverse Proof of Claim (See sections 33-50 of Petition No. 54)											

Current Status Codes

- Current Loan is current
- REO Loan foreclosed, title to security acquired in name of LCI or beneficial owners
- FCLS Foreclosure pending
- Trans Transferred
- Def Loan in default, foreclosure not yet started
- FA Forbearance Agreement
- BK Lift stay or other resolution in pending bankruptcy required
- Sold REO or Note sold
- Sold/CB REO sold with a carryback

Schedule of Receiver's Recommendations Regarding Deferred WCF Claimed Interests

Claim No.	Lender	LCI Loan No.	Borrower	Current Status	Receiver's Recommendations							Possibly Adverse POC
					F	G	H	I	J	K	L	
8546	BaliWare	07061095	Campa-Perez	Sold	100.0%	100.0%	0.0%	0.0%	100.0%	1h	8b	
7338	GUBINWARE	06030207	Poirier/Westend Investments, LLC	REO	30.60%	30.60%	0.0%	0.0%	30.60%	1h	8c	
7338	GUBINWARE	06070507	DMH Investments L.L.C.	REO	38.10%	38.10%	0.0%	0.0%	38.10%	1h	8c	
7338	GUBINWARE	07020933	Baca	Sold	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
7338	GUBINWARE	07040994	Trujillo	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
7338	GUBINWARE	07061112	Rios	REO	79.34%	79.34%	0.0%	0.0%	79.34%	1h	8c	
7338	GUBINWARE	07091799	Callahan	REO	50.47%	50.47%	0.0%	0.0%	50.47%	1h	8c	8035
7338	GUBINWARE	07101809	Caraway	Sold	100.0%	100.0%	0.0%	0.0%	100.0%	1h	8b	
7338	GUBINWARE	07121849	Presidio West 37, LLC	REO	9.11%	9.11%	0.0%	0.0%	9.11%	1h	8c	7094
7338	GUBINWARE	08011873	CBI Developers, Inc	REO	53.04%	53.04%	0.0%	0.0%	53.04%	1h	8c	8035/8429
7338	GUBINWARE	104th Ave	104th & Indian School	REO	42.99%	42.99%	0.0%	0.0%	42.99%	1h	8c	
7431	KepesWare	06050372	Horning	REO	11.56%	11.56%	0.0%	0.0%	11.56%	1h	8c	8035
7431	KepesWare	06070507	DMH Investments L.L.C.	REO	4.76%	4.76%	0.0%	0.0%	4.76%	1h	8c	
7431	KepesWare	08011873	CBI Developers, Inc	REO	3.98%	3.98%	0.0%	0.0%	3.98%	1h	8c	8035/8429
7431	KepesWare	104th Ave	104th & Indian School	REO	39.22%	39.22%	0.0%	0.0%	39.22%	1h	8c	
8003	LITCHFIELD	07051040	Boone	REO	100.0%	100.0%	0.0%	100.0%	100.0%	1h	5b	
8003	LITCHFIELD	07051079	Gandara	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
8003	LITCHFIELD	07071143	Quintana	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
8003	LITCHFIELD	07081204	Frazier	Sold/CB	18.11%	18.11%	0.0%	0.0%	18.11%	1h	4b	
8003	LITCHFIELD	07081208	Thompson	REO	50.0%	50.0%	0.0%	50.0%	50.0%	1h	8c	6765
8089	MurrayWare	07030953	Lehman	REO	11.782%	11.782%	0.0%	0.0%	11.78%	1h	8c	
8089	MurrayWare	07071144	Hernandez	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
8089	MurrayWare	08011873	CBI Developers, Inc	REO	2.693%	2.693%	0.0%	0.0%	2.69%	1h	8c	8035/8429
8325	TBMWARE	06060445	Orgill	REO	100.0%	100.0%	0.0%	100.0%	100.0%	1h	5b	
8325	TBMWARE	06090680	Bijou R.E. Investments, LLC	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
8325	TBMWARE	06110816	Kunkle	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
8325	TBMWARE	07061116	Chao	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	6601
8325	TBMWARE	07071140	Levin	REO	100.0%	100.0%	0.0%	100.0%	100.0%	1h	5b	
8325	TBMWARE	07081204	Frazier	Sold/CB	55.25%	55.25%	0.0%	0.0%	55.25%	1h	4b	
8325	TBMWARE	07121849	Presidio West 37, LLC	REO	53.45%	53.46%	0.0%	0.0%	53.46%	1h	8c	7094
8325	TBMWARE	08011873	CBI Developers, Inc	REO	20.873%	20.9%	16.064%	0.0%	20.87%	1h	8c	8035/8429
8325	TBMWARE	ORGILL_08	Orgill	REO	100.0%	100.0%	0.0%	0.0%	100.0%	1h	5b	
8381	WhiteWare	06030207	Poirier/Westend Investments, LLC	REO	8.80%	8.80%	0.0%	0.0%	8.80%	1h	8c	
8381	WhiteWare	07030953	Lehman	REO	1.77%	1.77%	0.0%	0.0%	1.77%	1h	8c	

Schedule of Receiver's Recommendations Regarding Deferred WCF Claimed Interests

Claim No.	Lender	LCI Loan No.	Borrower	Current Status	LCI %	Claimed %	Fee	ABI	Receiver's Recommendations			Possibly Adverse POC	
									F	G	H		I
8381	WhiteWare	07040989	Gutierrez	REO	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	5b	
8381	WhiteWare	07040995	Beck	REO	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	1h	5b	
8381	WhiteWare	08011873	CBI Developers, Inc	REO	0.26%	0.26%	0.0%	0.0%	0.0%	0.26%	1h	8c	8035/8429
8381	WhiteWare	104th Ave	104th & Indian School	REO	15.12%	15.12%	0.0%	0.0%	0.0%	15.12%	1h	8c	

Column Explanation

- A Claim Number of the WCF Lender
- B Lender Code used by Landmarc (See paragraph 12 of Petition No. 54)
- C Landmarc's Loan Number
- D Name of Borrower (Only the last name of individual borrowers is shown)
- E Current Status of Loan
- F Percentage of Ownership per Landmarc's records
- G Percentage of Ownership Claimed by Claimant
- H Fee Title percentage held on 6/24/09
- I Percentage of Beneficial Interest Assigned to Claimant by a duly recorded Assignment as of 6/24/09
- J Percentage Recommended by the Receiver for Court Approval
- K Approval Code explaining the basis of the recommendation (See Exhibit G)
- L Disposition Code explaining the proposed disposition (See Exhibit G)
- M Potentially Adverse Proof of Claim (See sections 33-50 of Petition No. 54)

Current Status Codes

- Current Loan is current
- REO Loan foreclosed; title to security acquired in name of LCI or beneficial owners
- FCLS Foreclosure pending
- Trans Transferred
- Def Loan in default, foreclosure not yet started
- FA Forbearance Agreement
- BK Lift stay or other resolution in pending bankruptcy required
- Sold REO or Note sold
- Sold/ICB REO sold with a carryback

Approval Codes for Loan Participant Lender Claims
Column K

1. Approve for the percentage indicated as Approved % for one or more of the following reasons:
 - a. Fee title vested in the Claimant or an LLC at the Receivership Date by a duly recorded deed that was equal to or greater than the Approved %.
 - b. Beneficial interest vested in the Claimant at the Receivership Date by a duly recorded Assignment that was equal to or greater than the Approved %.
 - c. [not used]
 - d. [not used]
 - e. Loan proceeds from payoff of the loan or sale of the underlying security were held in Landmarc's Trust Account at the Receivership Date for the benefit of the Claimant in the Approved %.
 - f. Claimant held an interest pursuant to a *Notice of Lis Pendens* recorded prior to the Receivership Date.
 - g. Some claimed interests are approved and some are deferred.
 - h. Claimant entitled to an equitable lien in the loan or REO or proceeds for the Approved %.
 - i. Beneficial interest confirmed in Order No. 25.
 - r. Percentage interest of Claimant has been recalculated due to short funding or other factors.
 - v. [Not used]
2. Defer action on part or all of the Claimant's claimed interest for one or more of the following reason (although the Receiver has made a recommendation for an Approved % interest, this is contingent on the Court ultimately confirming the interest being deferred):
 - a. [not used]
 - b. [not used]
 - r. Percentage interest of Claimant has been recalculated due to short funding or other factors.
 - v. [Not used]
3. Disapprove the claimed interest in its entirety for one or more of the following reasons:
 - a. The records of Landmarc indicate that the claimed interest in this loan was repurchased from the Claimant or paid off.
 - b. The records of Landmarc indicate that the Claimant did not at any time hold the claimed interest in this loan.
 - c. Any interest of the Claimant in this loan or REO was wiped out by the foreclosure of a senior lien.

Disposition Codes for Loan Participant Lender Claims

Column L

4. The loan is eligible for transfer to a new servicing agent or the Claimant:
 - a. Previously transferred for the Approved % pursuant to *Order No. 4* or was transferred prior to the receivership.
 - b. Will be transferred for the Approved %.
 - c. Previously transferred but distributions on the Approved % for this claimant are being held by Receiver but will be released to claimant.
 - d. Previously transferred pursuant to *Order No. 25*.
5. The REO is eligible for transfer to the Claimant:
 - a. Previously transferred for the Approved % pursuant to *Order No. 9* or was transferred prior to the receivership.
 - b. Will be transferred for the Approved %.
 - c. Approved % in the REO confirmed or will be transferred to a LLC.
 - d. Upon completion of the foreclosure the Approved % will be transferred.
 - e. Previously transferred for the Approved % and confirmed by the Court under *Order No. 41*.
 - f. Previously transferred pursuant to *Order No. 28*.
6. The interest held by the Receiver is eligible for sale to the Claimant (and transfer of control/management of the REO):
 - a. Receivership interest previously sold pursuant to *Order No. 24*.
 - b. Receivership interest will be sold pursuant to *Order No. 24*.
7. The loan payoff proceeds ("Proceeds") are eligible for transfer:
 - a. Approved % of the Proceeds previously transferred to Claimant pursuant to *Order No. 8*.
 - b. Approved % of the Proceeds will be transferred to Claimant.
 - c. Approved % of the Proceeds will be transferred to the Claimant's assignee.
8. The net sale proceeds from the sale of the REO ("Proceeds") are eligible for transfer:
 - a. Approved % of the Proceeds was previously transferred to Claimant.
 - b. Approved % of the Proceeds will be transferred to Claimant.
 - c. Property to be sold and the Approved % of the Proceeds (or that portion confirmed at the time) will be transferred to the Claimant.
 - d. Upon completion of the foreclosure, the REO will be sold and the Approved % of the Proceeds will be transferred to the Claimant.
9. To be determined later by subsequent order of the Court
 - a. Confirmation of an ownership or security interest in the loan or REO has been deferred until later.
 - b. Claim of a borrower or other creditor may need to be resolved before disposition of the confirmed interest.
 - c. Co-ownership, bankruptcy, or other issues may require further investigation and action by the Court before a final disposition can be made.
 - d. Resolution of the Approved % has been deferred until later.
 - e. Claim of the Receiver against this claimant will need to be resolved before disposition of the confirmed interest.

The interest has been assigned to the Receiver & will be distributed to the assignee.