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Lawrence E. Wilk, #006510
JABURG & WILK, P.C.
3200 North Central Avenue, Suite 2000
Phoenix, Arizona 85012
(602) 248-1000

Attorneys for James C. Sell, Receiver

SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY

ARIZONA CORPORATION COMMISSION,

Plaintiff,

v.

AMERICAN NATIONAL MORTGAGE
PARTNERS, L.L.C., et al.

Defendants.

Case No: CV2003-005724

**MOTION TO AUTHORIZE RECEIVER
TO ABANDON PROPERTY**

**(300 ACACIA DRIVE
SEDONA, ARIZONA)**

(Assigned to the Honorable J. Richard Gama)

James C. Sell, the court appointed Receiver in the above-referenced matter, through counsel of record undersigned, hereby requests that this Court enter an order authorizing the Receiver to abandon property of the estate; specifically, the property located at 300 Acacia Drive, Sedona, Arizona (the "Property").

This motion is based upon the following Memorandum of Points and Authorities.

DATED this 19th day of July, 2004.

JABURG & WILK, P.C.


Lawrence E. Wilk
Attorneys for James C. Sell

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JABURG & WILK, P.C.
ATTORNEYS AT LAW
3200 NORTH CENTRAL AVENUE
SUITE 2000
PHOENIX, ARIZONA 85012

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MEMORANDUM OF POINTS AND AUTHORITIES

I. Procedural Background

1. On or about March 24, 2003, the Arizona Corporation Commission caused to be filed, in the Superior Court in and for the State of Arizona, a Complaint in the above-captioned matter against numerous individual defendants and entities, seeking the appointment of a Receiver over the named Defendants.

2. After notice and hearing, the Court, on April 2, 2003, issued its Order Appointing Receiver, appointing James C. Sell as Receiver for the approximately 100 entities named in the Receivership Complaint.

3. American National Mortgage Partners, LLC and ANMP 74th ST., LLC were specifically excluded from the Order due to the filing of Chapter 11 bankruptcy proceedings initiated in the United States Bankruptcy Court for the District of Arizona, on behalf of each entity, Cause Nos. 03-03803 PHX RJH and 03-03799 PHX RJH respectively.

4. On or about May 15, 2003, after having obtained Orders Lifting the Automatic Stay of 11 U.S.C. § 362 in the Bankruptcy Proceedings, this Court issued its First Amended Order Appointing Receiver for the sole purpose of including American National Partners, LLC and ANMP 74TH ST., LLC as additional parties subject to the Receivership Order. James C. Sell was appointed under the First Amended Order as Receiver for these two entities, and was to serve as the responsible party for these entities in the pending bankruptcy proceedings.

5. On or about August 22, 2003, the Court entered the Second Order Appointing Receiver, which was entered for the specific purpose of naming additional parties.

6. Paragraph 10 of the Receivership Order provides as follows:

10. . . . To this purpose, in those instances in which Receivership Assets serve as collateral to secured creditors, the Receiver may surrender such assets to secured creditors. . .

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JABURG & WILK, P.C.
ATTORNEYS AT LAW
3200 NORTH CENTRAL AVENUE
SUITE 2000
PHOENIX, ARIZONA 85012

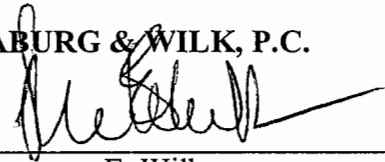
1 to market and sell the property. At the present time, the Receiver believes that the property is
2 valued at between \$1.1 million and \$1.3 million, an amount less than the liens which secure the
3 property.

4 5. Pursuant to the confirming Letter Agreement attached hereto, the Receiver
5 has agreed to allow for the property to be abandoned so that National Bank of Arizona
6 may complete their foreclosure on the subject property. National Bank of Arizona has
7 agreed to sequester all funds which may be obtained from either the foreclosure of the
8 property, or the subsequent sale of the property (in the event that National Bank of
9 Arizona should be the successful bidder at the Trustee Sale), subject to further Order of
10 this Court regarding disbursement.

11 Based upon the fact that the Receiver does not believe that there is any equity in
12 the property, and that it is burdensome to the estate, the Receiver respectfully requests this
13 Court to issue an Order authorizing the Receiver to abandon its interest in the Property,
14 subject to the terms and conditions of the letter agreement attached hereto.

15 DATED this _____ day of July, 2004.

16 JABURG & WILK, P.C.



17
18 _____
Lawrence E. Wilk
Attorneys for James C. Sell, Receiver

19 **ORIGINAL** filed and **COPY**
20 of the foregoing hand-delivered
this _____ day of July, 2004 to:

21 The Honorable Richard J. Gama
22 MARICOPA COUNTY SUPERIOR COURT
101 West Jefferson, ECB 611
23 Phoenix, Arizona 85003-2243

24 **COPIES** of the foregoing mailed
this _____ day of July, 2004 to:

25 Wendy L. Coy, Esq.
26 Arizona Corporation Commission, Securities Division
1300 West Washington, 3rd Floor
27 Phoenix, Arizona 85007
Facsimile: (602) 594-7418
28 *Attorney for Plaintiff*

1 Trudy Nowack
OFFICE OF THE UNITED STATES TRUSTEE
2 2929 North Central Ave., Suite 700
Phoenix, Arizona 85067
3 Facsimile: (602) 640-2217

4 Michael R. Palumbo, Esq.
JENNINGS, STROUSS & SALMON, P.L.C.
5 The Collier Center, 11th Floor
201 East Washington Street
6 Phoenix, Arizona 85004-2385
Attorneys for Dan Walen and Dass W L.L.C.

7
8 Stanford E. Lerch, Esq.
Anthony E. DePrima, Esq.
LERCH & DEPRIMA, P.L.C.
9 1700 East Thomas Road, Suite B
Phoenix, Arizona 85016-0001
10 Facsimile: (602) 393-0490
Attorneys for Defendants American National Mortgage Partners, L.L.C.
11 *Phil and Tricia Vigarino, Robert K. Rehm, Frank and Gail Caspare, and Susan Rutledge*

12 Bryan F. Murphy
BURCH & CRACCHIOLO, P.A.
13 702 E. Osborn Rd., #200
Phoenix, AZ 85014
14 Facsimile (602) 234-0341
Larry William Dunning and Sheila Dunning

15 Peter Michael Salcido, Esq.
16 RENAUD, COOK AND DRURY, P.A.
40 North Central Ave., Suite 1600
17 Phoenix, Arizona 85004-4424
18 Facsimile: (602) 307-5853
Co-counsel for Frank and Gail Caspare

19 Donald M. Peters, Esq.
20 Miller, LaSota & Peters, P.L.C.
5225 North Central Ave., Suite 235
Phoenix, Arizona 85012-1452
21 Facsimile: (602) 248-2999
Attorney for Defendants Paul and Carol Meka

22
23 Mark D. Chester, Esq.
CHESTER & SCHEIN, P.C.
24 8777 North Gainey Center Drive, Suite 191
Scottsdale, Arizona 85258
25 Facsimile: (480) 922-3969
Attorney for Defendant Mark Kesler

26
27
28

1 Dustin T. Dudley, Esq.
ISRAEL AND GERITY, P.L.L.C.
2 2375 East Camelback Rd., Suite 500
Phoenix, Arizona 85016-0001
3 Facsimile: (602) 387-5001
Attorneys for David and Karyn Stocker
4 *and Doug Baxter*

5 Eric Strasser
2700 North Hayden Rd., #2013
6 Scottsdale, Arizona 85262
Defendant pro per

7
8 Christopher T. Graver, Esq.
KELLER, ROHRBACK, P.L.C.
3101 North Central Ave., Suite 900
9 Phoenix, Arizona 85012-2641
Facsimile: (602) 248-2822
10 *Attorney for Castle Real Property Entities*

11 Dale C. Schian, Esq.
Mark C. Hudson, Esq.
12 SCHIAN WALKER, P.L.C.
3550 North Central Ave., Suite 1600
13 Phoenix, Arizona 85012-2113
Counsel for Taylor R. Coleman in related proceedings

14
15 Alan A. Meda, Esq.
STINSON MORRISON HECKER
1850 N. CENTRAL AVE., #2100
16 Phoenix, Arizona 85067-6379
Attorney for Dexter Distributing Corp. in related proceedings

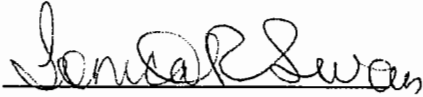
17
18 Richard C. Gramlich, Esq.
Kim E. Hutchinson Cahill, Esq.
CARMICHAEL & POWELL, P.C.
19 7301 North 16th Street, Suite #103
Phoenix, Arizona 85020-5297
20 Facsimile: (602) 870-0296
Attorneys for Dellheim, Vescio and Owens in related proceedings

21
22 Col. William Edwards
P.O. Box 1272
Litchfield Park, AZ 85340-1272
23 *Investor*

24 Lyman Davis
920 West Wagner Drive
25 Gilbert, AZ 85233
Facsimile (480) 545-8814
26 *Chairman of Creditors Committee*

27
28

1 James C. Sell
2 5045 N. 12th Street, #100
3 Phoenix, AZ 85014
4 Facsimile (602) 265-3622
5 *Court Appointed Receiver*

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JABURG & WILK, P.C.
ATTORNEYS AT LAW
3200 NORTH CENTRAL AVENUE
SUITE 2000
PHOENIX, ARIZONA 85012

Gary J. Jaburg
Roger L. Cohen
Mitchell Reichman***
Kathi M. Sandweiss
Lauren L. Garner
Scott J. Richardson
Maria Crimi Speth
Michelle C. Lombino
Mark D. Bogard
Gregory S. Fisher
Laurence B. Hirsch
Jonathan Ibsen****



Jaburg & Wilk, P.C.

ATTORNEYS AT LAW

3200 N. Central Ave., Suite 2000
Phoenix, AZ 85012

Tel 602/248-1000
Fax 602/248-0522

www.jaburgwilk.com

Lawrence E. Wilk
•Randy Nussbaum
••Beth S. Cohn
Mervyn T. Braude
Susan R. Gilman
Kraig J. Marton
James B. Reed
Dalon J. Morgan
Kelly Brown
Peter M. Gennrich
Jeffrey A. Sandell

—
* ARIZONA CERTIFIED SPECIALIST, BANKRUPTCY
** ARIZONA CERTIFIED SPECIALIST, TAX LAW
*** ARIZONA CERTIFIED SPECIALIST, FAMILY LAW
**** LICENSED TO PRACTICE IN NEW YORK ONLY

Writer's Direct Line
602/248-1008

Writer's E-mail
lew@jaburgwilk.com

July 20, 2004

Chris Bayley
SNELL & WILMER
One Arizona Center
400 E. Van Buren
Phoenix, AZ 85004-2202

Re: Abandonment of 300 Acacia, Sedona, Arizona

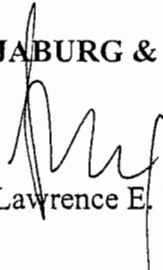
Dear Chris:

In furtherance of our prior conversations, this letter will confirm that the Receiver will agree to seek the abandonment of the subject property from the Receivership estate to allow for National Bank of Arizona to complete its pending foreclosure on the property. In the event the property is sold at the foreclosure, all proceeds obtained shall be sequestered subject to further order of the Receivership Court as to their disbursement. In the event that your client is the successful bidder at the Trustee's Sale, your client will agree that any proceeds subsequently obtained from the sale of the property will be sequestered subject to further order of the Receivership Court.

Based upon this understanding, the Motion to Abandon will be filed with the Court.

Sincerely,

JABURG & WILK, P.C.


Lawrence E. Wilk

c: James C. Sell