

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

OKLAHOMA DEPARTMENT OF)
SECURITIES EX REL. IRVING)
FAUGHT, ADMINISTRATOR,)

Plaintiff,)

v.)

Case No. CJ-2009-7957
Judge: Gurich, Noma D.

STORYBOOK PROPERTIES, LLC,)
a California limited liability company;)
STORYBOOK INVESTMENTS WA,)
LLC, a Washington limited liability)
company; MATTHEW G. STORY)
an individual; JOE DON JOHNSON,)
an individual; and JAMES FARNHAM,)
an individual,)

Defendants.)

**FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY, OKLA.**

APR 14 2010

PATRICIA PRESLEY, COURT CLERK
by _____
DEPUTY

MOTION FOR AN ORDER AUTHORIZING RECEIVER TO EXECUTE DEED IN LIEU OF FORECLOSURE FOR 8537 EAST 32nd STREET, TULSA, OKLAHOMA

Stephen J. Moriarty ("Receiver") the Court appointed Receiver for Storybook Properties LLC, Storybook Investments WA, LLC, and Matthew G. Story (all collectively referred to as "Companies") moves the Court for the entry of an Order authorizing Receiver to execute a deed in lieu of foreclosure for the property located at 8537 East 32nd Street, Tulsa, Oklahoma. In support of the Motion, Receiver represents as follows:

Factual Background

1. On October 7, 2009, this Court entered its Order Appointing Receiver. Pursuant to the Order, the Receiver was given full authority to "operate and manage all assets" of the Companies. Further, Receiver was given the authority to "take immediate custody, possession,

and control of any and all assets” of the Companies.

2. The major assets of the Companies consist of (a) numerous residential properties located in Tulsa County, Oklahoma (the “Residential Properties”) and (b) a 5 unit apartment building located at 2436 East Sixth Street, Tulsa, Oklahoma and an 8 unit apartment building located at 2440 East Sixth Street, Tulsa, Oklahoma (the “Apartment Properties”).

3. Through this Motion, the Receiver proposes to execute a deed in lieu of foreclosure to Tulsa National Bank (“TNB”) for the property located at 8537 East 32nd Street, Tulsa, Oklahoma (the Property”). The Receiver has determined that delivery of a deed in lieu of foreclosure for the Property is in the best interests of the Companies and their creditors.

Relief Requested

4. By this Motion, the Receiver requests entry of an Order (a) authorizing Receiver to execute a deed in lieu of foreclosure for the Property to TNB in substantially the form of Exhibit “A” hereto.

Marketing Efforts

5. Prior to the appointment of Receiver, the Companies had listed the Property for sale through Green Country Real Estate, Rusty Goodman, Listing Broker (the “Broker”). The Broker has not received any viable offer to Purchase the Property

Approval of Deed in Lieu

6. Title to the Property is held in the name of Matthew Story.

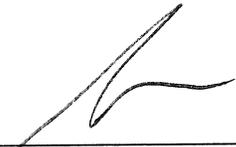
7. TNB holds a first mortgage lien on the Property in an amount in excess of \$80,000.00. There are outstanding real estate taxes due and owing.

8. The value of the Property is significantly less than \$80,000.00. It does not make

sense to make regular monthly payments to TNB and pay property taxes for the Property as there is no equity in the Property and no value for the companies or their creditors.

9. TNB has agreed to accept a deed in lieu of foreclosure on the Property. This will relieve the Companies and their creditors of a burdensome asset and release the Companies from a potential deficiency judgment on the Property. Delivery of a deed in lieu of foreclosure is in the best interest of the Companies and their creditors.

WHEREFORE, the Receiver respectfully requests that the Court enter an order (i) authorizing Receiver to execute a deed in lieu of foreclosure for the Property in substantially the form of Exhibit "A" hereto; (ii) authorizing Receiver to take all actions necessary to close such transaction, and (iii) granting Receiver such other and further relief as this court deems just and proper.



STEPHEN J. MORIARTY (OBA #6410)
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RECEIVER

NOTICE OF HEARING

Please be advised that a hearing on the foregoing Motion has been set for 1:30
P.m. on the 29th day of April, 2010 before the Honorable Noma D. Gurich.

CERTIFICATE OF MAILING

This is to certify that on the 14th day of April, 2010, the foregoing was sent by U.S.
Mail, first class, postage prepaid to:

Patricia A. Labarthe, Esq.
Jennifer Shaw, Esq.
Oklahoma Department of Securities
120 N. Robinson, Suite 860
Oklahoma City, OK 73102

Matthew G. Story
27943 Seco Canyon Road
Suite 201
Santa Clarita, CA 91350



Stephen J. Moriarty

523883

RECEIVER'S DEED

THIS INDENTURE, made this ____ day of _____, 2010, between **STEPHEN J. MORIARTY**, the duly appointed and acting receiver for Story Book Properties, LLC, Storybook Investments, WA, LC, EZ-To-Buy Homes, LP, and Matthew G. Story pursuant to an Order of the District Court, Oklahoma County, Oklahoma (the "Court"), entered on October 7, 2009, in: *Oklahoma Department of Securities v. Storybook Properties, LLC, et al.*, In the District Court of Oklahoma County, State of Oklahoma; Case No. CJ-2009-7957, hereinafter called "**Grantor**", and **TULSA NATIONAL BANK**, hereinafter called "**Grantee**".

WHEREAS, Matthew G. Story and EZ-To-Buy Homes, LP are the record owners of the real property described below, (hereinafter referred to as the "Property");

WHEREAS, on _____, 20____, I did file a Motion to approve the transfer and conveyance of the Property to Tulsa National Bank.

WHEREAS, the Court on _____, 20____, did have a hearing on such Motion, and did enter an order approving the transfer and conveyance of this Property and the execution by Receiver of all documents necessary to convey the interest in the Property (the "Order");

WITNESSETH: That Grantor, by virtue of the powers granted by the Order and in consideration of the sum of **TEN AND NO/100'S DOLLARS (\$10.00)** and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor does, by these presents, grant, bargain, sell and convey unto Grantee, its successors and assigns, all of the real property situated in the County of Tulsa, State of Oklahoma, to-wit:

Lot Twenty-three (23), Block Five (5), LONGVIEW ACRES, an Addition in Tulsa County, State of Oklahoma, according to the Recorded Plat thereof.

DOCUMENTARY STAMPS NOT REQUIRED PURSUANT TO OKLA. STAT. TIT 68 SECTION 3202.13

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining forever.

And Grantor, his heirs and assigns, do hereby covenant, promise and agree to and with Grantee, at the delivery of these presents that he is lawfully seized in his own right by virtue of the Order of the Court of an absolute and indefeasible estate of inheritance in fee simple, of and in all and singular the above granted and described premises, with the appurtenances.

THIS RECEIVER'S DEED IS AN ABSOLUTE CONVEYANCE OF TITLE IN EFFECT AS WELL AS IN FORM, AND IS NOT INTENDED AS A MORTGAGE, TRUST CONVEYANCE OR SECURITY OF ANY KIND.

IN WITNESS WHEREOF, Grantor has executed this Indenture the day and year above written.

STEPHEN J. MORIARTY, RECEIVER

STATE OF OKLAHOMA)
) ss.
COUNTY OF _____)

BEFORE ME, a Notary Public, in and for said County and State, on this ____ day of _____, 2010, personally appeared, Stephen J. Moriarty, the duly appointed and acting receiver for Story Book Properties, LLC, Storybook Investments, WA, LC, EZ-To-Buy Homes, LP, and Matthew G. Story pursuant to an Order of the District Court, Oklahoma County, Oklahoma (the "Court"), entered on October 7, 2009, in: *Oklahoma Department of Securities v. Storybook Properties, LLC, et al.*, In the District Court of Oklahoma County, State of Oklahoma; Case No. CJ-2009-7957, to me known to be the identical person who executed the within and foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

Notary Public

My Commission Expires:

Comm. No. _____