

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY, OKLA.

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

FEB 11 2010

PATRICIA PRESLEY, COURT CLERK
by _____
DEPUTY

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.)

**RECEIVER'S MOTION FOR AN ORDER (I) APPROVING CONTRACT FOR THE
SALE OF 2436 EAST SIXTH STREET AND 2440 EAST SIXTH STREET,
TULSA, OKLHOMA, SUBJECT TO HIGHER BID; AND (II) AUTHORIZING
RECEIVER TO CLOSE SALE OF 2436 EAST SIXTH STREET
AND 2440 EAST SIXTH STREET, TULSA, OKLHOMA**

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 (i) approving the Real Estate Purchase Contract submitted by Debra Redmon for 2436 East Sixth Street and 2440 East Sixth Street, Tulsa, Oklahoma, subject to receipt by Receiver of a higher offer on or before March 10, 2009 and (ii) authorizing Receiver to take all actions necessary to close such sale. 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”).

Assets to Be Sold

3. Through this Motion, the Receiver proposes to sell the Apartment Properties. The Receiver has determined that a sale of the Apartment Properties 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 accept the Real Estate Purchase Contract submitted by Debra Redmon, dated February 12, 2010 (the "Redmon Purchase Contract"), subject to receipt by Receiver of a higher cash offer on or before March 10, 2010; and (b) authorizing Receiver to take all actions necessary to close such sale. A copy of the Redmon Purchase Contract is attached hereto as Exhibit “A”.

Marketing Efforts

5. Prior to the appointment of Receiver, the Companies had listed the Apartment Properties for sale through Green Country Real Estate, Rusty Goodman, Listing Broker (the “Broker”)¹. Through the efforts of the Broker, the Redmon Purchase Contract was prepared and delivered to Broker. Broker believes the offer by Redmon to purchase the Apartment Properties

¹ Receiver seeks permission to pay broker a reasonable commission upon the Closing of the Redmon Purchase Contract.

for \$110,000.00 is reasonable.

6. The Redmon Purchase Agreement represents a purchase price of just under \$8,500.00 per unit. The Apartment Properties are currently 15% occupied and rents do not cover expenses.

Approval of Redmon Purchase Agreement and Authority to Close

7. The Redmon Purchase Agreement is the product of arms length negotiations and approval of the Redmon Purchase agreement is in the best interest of the Companies and their creditors.

8. Receiver seeks authority to solicit and receive higher cash bids for the Apartment Properties through March 10, 2009. Receiver seeks authority to close on any bid, deemed to be a higher bid in the sole discretion of Receiver, upon receipt of such higher bid.

9. Receiver seeks authority to take all necessary steps to close on the Redmon Purchase Agreement, or any higher bid, including but not limited to delivery of a Receiver's deed to the Apartment Properties and payment a reasonable broker's commission and all associated costs of the sale at closing.

WHEREFORE, the Receiver respectfully requests that the Court enter an order (i) Approving the Redmon Purchase Contract for 2436 East Sixth Street and 2440 East Sixth Street, Tulsa, Oklahoma, subject to receipt by Receiver of a higher offer on or before March 10, 2009; (ii) authorizing Receiver to take all actions necessary to close such sale, and (iii) granting Receiver such other and further relief as this court deems just and proper.



STEPHEN J. MORIARTY (OBA #6410)
FELLERS, SNIDER, BLANKENSHIP,
BAILEY & TIPPENS, P.C.
100 North Broadway, Suite 1700
Oklahoma City, OK 73102
Phone: 405-232-0621
Fax: 405-232-9659
E-mail: smoriarty@fellerssnider.com

RECEIVER

NOTICE OF HEARING

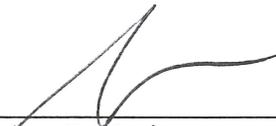
Please be advised that a hearing on the foregoing Motion has been set for 11:00
A.m. on the 4th day of March, 2010 before the Honorable Noma D. Gurich.

CERTIFICATE OF MAILING

This is to certify that on the 11th day of February, 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