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Attorneys for Receiver, R. Wayne Klein

UNITED STATES DISTRICT COURT  
DISTRICT OF IDAHO

SECURITIES AND EXCHANGE	)	Case No.: 4:09-CV-075-E-EJL
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
and	)	Case No.: 4:09-CV-076-E-EJL
	)	
COMMODITY FUTURES TRADING	)	
COMMISSION,	)	
	)	
Plaintiff,	)	The Honorable Edward J. Lodge
	)	
vs.	)	
	)	NOTICE OF PROPERTY SALE
DAREN L. PALMER and TRIGON GROUP,	)	
INC., a Nevada Corporation,	)	
	)	
Defendants.	)	
	)	

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R. Wayne Klein, the duly appointed Receiver (“**Receiver**”) for Trigon Group, Inc. (“**Trigon**”) and the assets of Daren L. Palmer (“**Palmer**”), hereby provides notice of his intent to finalize the sale of real estate pursuant to the terms described below.

### PROPERTY SALE

In connection with an earlier settlement with an overpaid investor, the Receiver was given title to a residential building lot in Idaho Falls. The lot has an assessed value of zero because the lot is not zoned for building. It is however designed to contain a well that will supply water to other homes in the subdivision.

The Receiver has had the property listed for sale at \$29,900.00 but has found little interest in the property. An offer of \$12,000.00 was received in February 2013, which the Receiver declined. On July 15, 2013, a new offer was received for \$15,000.00. The parties exchanged counteroffers, ultimately agreeing on a purchase price of \$19,500.00, subject to approval by the Court.

The Receiver believes this is the best price for the property that can be obtained in the current market for three primary reasons. First, the offering price for other building lots in this subdivision was recently reduced from \$20,000.00 per lot to \$17,000.00 per lot. These other building lots are zoned to allow home construction on them, which is not permitted for the lot being sold by the Receiver. Thus, building lots in the same subdivision of equivalent or larger size are being offered for a price less than the sales price of the Receivership lot. Second, the fact that the seller of the other building lots has reduced the offering price for the other lots indicates that market prices are not rising and that property such as this will need to be sold at lower prices in order to find a buyer. Third, the lengthy period of time that this lot has been on the market—with only one offer on the property—indicates that there is low demand for property such as this.

Based on the length of time the Receiver has had the property for sale, the Receiver does not believe values will increase significantly in the near future, so there is little value in holding out in the hopes that property values will increase.

The Receiver believes that obtaining appraisals of the property would only delay the sale and cause the expenditure of Receivership funds unnecessarily. Given the significant number of similar building lots for sale, the value of this property is readily ascertainable from the prices of other listings, other sales, and the assessed value.

This sale will not only bring in additional cash to the Receivership Estate, but will also decrease, albeit marginally, the expenses of the Receivership in maintaining the property. As such, the Receiver believes this sale is beneficial to the Receivership Estate. The SEC and CFTC have both reviewed the transaction and express no objection to this sale.

PROCEDURE FOR ADDRESSING ANY OBJECTIONS TO THE PROPERTY SALE

Objections, if any, to the property sale must be in writing and filed with this Court within ten (10) days of the date of the filing of this Notice of Property Sale. If no objection has been filed within ten (10) days, unless the Court orders otherwise, the Receiver will deem the sale approved and move forward to complete the sale. In the event that an objection is filed, the Receiver will have the right to: (i) notify in writing the objecting person, the buyer, and the Court that the Receiver believes that the objection lacks merit and seek the approval of the Court notwithstanding such objection, or (ii) notify in writing the objecting person, the buyer, and the Court that the Receiver believes that the objection is valid, whereupon the sale of this property to this buyer will be rejected.

**CONCLUSION**

The Receiver believes this property sale will provide benefits to the Receivership by bringing cash into the Receivership Estate and avoiding any further costs relating to this property.

DATED this 26<sup>th</sup> day of July, 2013.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By



John F. Kurtz, Jr., Attorneys for the  
Receiver, R. Wayne Klein



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 26<sup>th</sup> day of July, 2013, I electronically filed the foregoing NOTICE OF PROPERTY SALE with the Clerk of the Court using the CM/ECF system which sent a Notice of Electronic Filing to the following persons:

Karen L. Martinez  
Thomas M. Melton  
Tanya Beard  
Securities and Exchange Commission  
15 West South Temple, Suite 1800  
Salt Lake City, UT 84101  
martinezk@sec.gov  
himesm@sec.gov

*Counsel for Plaintiff Securities and Exchange  
Commission*

Alison B. Wilson  
John W. Dunfee  
Division of Enforcement  
Commodity Futures Trading Commission  
1155 21st Street, N.W.  
Washington, D.C. 20581  
jdunfee@cftc.gov  
awilson@cftc.gov

*Counsel for Plaintiff Commodity Futures  
Trading Commission*

AND, I HEREBY CERTIFY that I have served the foregoing document to the following non-CM/ECF Registered Participants (list names and addresses):

Daren L. Palmer #13952-023  
FPC Duluth  
PO Box 1000  
Duluth, MN 55814  
*Defendant*

Alan Conilogue  
Deputy Attorney General  
State of Idaho  
PO Box 83720  
Boise, ID 83720-0031  
*Local Counsel for Plaintiffs*

U.S. Mail, Postage Prepaid  
 Hand Delivered  
 Overnight Mail  
 E-mail  
 Telecopy

U.S. Mail, Postage Prepaid  
 Hand Delivered  
 Overnight Mail  
 E-mail  
 Telecopy

  
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John F. Kurtz, Jr.