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*Attorneys for Court-Appointed Receiver R. Wayne Klein*

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**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

**NATIONAL NOTE OF UTAH, LC, a Utah  
Limited Liability Company and WAYNE  
LaMAR PALMER, an individual,**

Defendants.

**AMENDED RECEIVER'S NOTICE  
OF PUBLIC SALE RESULTS**

**(EXPRESSWAY LAND, SPANISH  
FORK, UT)**

Civil No. 2:12-00591

The Honorable Bruce S. Jenkins

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R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") of National Note of Utah, LC, its subsidiaries and affiliates (collectively, "National Note"), and the assets of Wayne LaMar Palmer, by and through his counsel, hereby files this *Amended Notice of Public Sale Results (Expressway Land, Spanish Fork, UT)*. In support hereof, the Receiver states as follows:

1. On December 29, 2017, the Receiver filed a *Notice of Public Sale Results (Expressway Land, Spanish Fork, UT)*<sup>1</sup> reporting that the sale of the Expressway Land property

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<sup>1</sup> Docket No. 1335.

closed on December 22, 2017 and summarizing the results of the sale. This sale involved what is known as "Parcel 4," which is comprised of 20 zoned condominium lots (the "Lots").

2. Subsequent to the closing, the Utah County Attorney's Office informed the Receiver that taxes were still due on 19 of the 20 Lots. The Receiver contacted Meridian Title Company, the title company that conducted the closing ("Meridian"), and requested that it research this issue.

3. Meridian subsequently informed the Receiver that it had remitted taxes to Utah County, but it had failed to recognize that each of the Lots had a distinct tax identification number and, therefore, tax was assessed against each Lot. Accordingly, Meridian prepared a closing statement showing tax for one Lot, and only paid the taxes on that one Lot. The Receiver relied on Meridian's representations in the settlement statement at the time of the closing.

4. As a result of Meridian's research, the Receiver discovered that tax in the total amount of \$122,508.96 plus interest accruing after the day of the closing was still owed to Utah County on 19 of the Lots.

5. Utah County made demand for this sum, and asserted that under the Order authorizing the sale its lien attached to the net sales proceeds held by the Receiver.<sup>2</sup>

6. The Receiver contacted Meridian and informed it that, while he recognized the taxes needed to be paid, Meridian's failure to properly determine the taxes owed prior to closing had cost the Receivership Estate expense. After negotiation, Meridian agreed to contribute \$8,000.00 towards the unpaid property taxes and to pay interest that accrued after the closing.

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<sup>2</sup> *Order Approving (1) Public Sale of Property Free and Clear of Interests, (2) Method and Form of Publication Notice, and (3) Public Auction Procedures (Expressway Land)* [Docket No. 1320].

7. As a result, on January 26, 2018, the Receiver transferred \$114,508.96 of the net sales proceeds being held in the Receivership Estate's Real Estate Holding Account to Meridian Title to satisfy Utah County's lien.

8. Based on the above, the following is a corrected summary of the results of the sale:

Gross Sales Price	\$ 775,000.00
Property Taxes (nine years)	(\$250,093.18)
Payoff of Westar Equities Trust Deed	(\$ 13,460.31)
Real Estate Commission	(\$ 36,060.00)
Title Insurance	(\$ 2,765.00)
Closing Costs, Recording Fees	(\$ 700.00)
<b>ORIGINAL NET SALE PROCEEDS REPORTED</b>	<b>\$ 471,921.51</b>
Property Taxes for Parcel 4 (paid 1/26/18)	<u>(\$114,508.96)</u>
<b>AMENDED NET SALES PROCEEDS</b>	<b>\$357,412.55</b>

9. The Receiver has confirmed that Utah County has been paid in full.

DATED this 29th day of January, 2018.

**DORSEY & WHITNEY LLP**

/s/ Peggy Hunt  
Peggy Hunt  
John Wiest  
*Attorneys for Receiver*

