

"CAOP II"

DEBTOR: Castle Arch Opportunity Partners II, LLC

**MONTHLY OPERATING REPORT
CHAPTER 11**

CASE NUMBER: 11-35241

**Form 2-A
COVER SHEET**

For Period Ending _____ 05/31/12

Accounting Method: Accrual Basis Cash Basis

THIS REPORT IS DUE 14 DAYS AFTER THE END OF THE MONTH

Mark One Box for Each
Required Document:

Debtor must attach each of the following reports/documents unless the U. S. Trustee has waived the requirement in writing. File the original with the Clerk of Court. Submit a duplicate, with original signature, to the U. S. Trustee.

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursements Statement (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts IMPORTANT: Redact account numbers and remove check images
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts

I declare under penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate and correct to the best of my knowledge and belief.

Executed on: 7/09/12

Print Name:

D. Ray Strong

Signature:



Title:

Manager

DEBTOR: Castle Arch Opportunity Partners II, LLC **CASE NO:** 11-35241

**Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 5/1/12 to 5/31/12

CASH FLOW SUMMARY

	Current Month	Accumulated
1. Beginning Cash Balance	\$ <u>445,135.09</u> (1)	\$ <u>1,334,322.19</u> (1)
2. Cash Receipts		
Operations	94,188.46	1,242,458.64
Sale of Assets	-	-
Loans/advances	-	-
Other	-	-
Total Cash Receipts	\$ <u>94,188.46</u>	\$ <u>1,242,458.64</u>
3. Cash Disbursements		
Operations	20,930.50	2,028,387.78
Debt Service/Secured loan payment	-	-
Professional fees/U.S. Trustee fees	-	30,000.00
Other	-	-
Total Cash Disbursements	\$ <u>20,930.50</u>	\$ <u>2,058,387.78</u>
4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements)	<u>73,257.96</u>	<u>(815,929.14)</u>
5 Ending Cash Balance (to Form 2-C)	\$ <u>518,393.05</u> (2)	\$ <u>518,393.05</u> (2)

CASH BALANCE SUMMARY

	<u>Financial Institution</u>	<u>Book Balance</u>
Petty Cash	_____	\$ -
DIP Operating Account	<u>Zions Bank - DIP *****4935</u>	975.63
Manager Account #1	<u>Preferred Bank ***3368</u>	40,438.95
Manager Account #2	<u>Preferred Bank ***4704</u>	476,978.43
Other Operating Account	<u>TD Ameritrade</u>	0.04
Other Interest-bearing Account	_____	-
TOTAL (must agree with Ending Cash Balance above)		\$ <u>518,393.05</u> (2)

(1) *Accumulated beginning cash balance is the cash available at the commencement of the case.
Current month beginning cash balance should equal the previous month's ending balance.*
 (2) *All cash balances should be the same.*

DEBTOR: Castle Arch Opportunity Partners II, LLC

CASE NO:

11-35241

Form 2-B

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period 5/1/12 to 5/31/12

CASH RECEIPTS DETAIL

(attach additional sheets as necessary)

Account No:

Zions-*****4935

Date	Payer	Description	Amount
05/21/12	FCI	Rill Note Interest Income	\$ 975.63

CASH RECEIPTS DETAIL

(attach additional sheets as necessary)

Account No:

Preferred Bank-***3368

Date	Payer	Description	Amount
05/10/12	Clyde Snow	Clyde Snow Retainer Return	\$ 8,154.50
05/14/12	Conix	Conix - Towns Capital & Steel Capital	15,368.84
05/14/12	Conix	Conix - Steel Capital, Oak Capital, Town Capital	29,250.54
05/29/12	Conix	Conix - First Maryland, Steel Capital, and Oak Capital	40,438.95

CASH RECEIPTS DETAIL

(attach additional sheets as necessary)

Account No:

Preferred Bank-***4704

Date	Payer	Description	Amount
NONE			\$ -

Total Cash Receipts

\$ 94,188.46 (1)

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 1

DEBTOR: Castle Arch Opportunity Partners II, LLC

CASE NO: 11-35241

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT
 For Period: 5/1/12 to 5/31/12

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No: Zions-****4935

Date	Check No.	Payee	Description (Purpose)	Amount
05/31/12	EFT	Zions Bank	Wire Service Fee	\$ 18.00

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No: Preferred Bank-***3368

Date	Check No.	Payee	Description (Purpose)	Amount
05/23/12	EFT	CAREIC	Management Fee-May 2012	\$ 20,912.50

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No: Preferred Bank-***4704

Date	Check No.	Payee	Description (Purpose)	Amount
NONE				\$

Total Cash Disbursements \$ 20,930.50 (1)

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 1

Form 2-C
COMPARATIVE BALANCE SHEET

For Period Ended: 05/31/12

	Current Month (1)	Petition Date (2)
ASSETS		
Current Assets:		
Cash (from Form 2-B, line 5)	\$ 518,393.05	\$ 1,334,322.19
Accounts Receivable (from Form 2-E)	-	-
Receivable from Officers, Employees, Affiliates	-	-
Inventory	3,320,847.71	2,339,748.24
Other Current Assets (List):	50,000.00	9,040.00
<u>Properties for Sale</u>	42,000.00	42,000.00
<u>Pre-paid Legal & Deposits</u>		
<u>Note Receivable</u>		
Total Current Assets	\$ 3,931,240.76	\$ 3,725,110.43
Fixed Assets:		
Land	\$ -	\$ -
Building	-	-
Equipment, Furniture and Fixtures	-	-
Total Fixed Assets	-	-
Less: Accumulated Depreciation	(-)	(-)
Net Fixed Assets	\$ -	\$ -
Other Assets (List):	-	-
TOTAL ASSETS	\$ 3,931,240.76	\$ 3,725,110.43
LIABILITIES		
Post-petition Accounts Payable (from Form 2-E)	\$ 75,345.96	\$ -
Post-petition Accrued Professional Fees (from Form 2-E)	32,000.00	-
Post-petition Taxes Payable (from Form 2-E)	-	-
Post-petition Notes Payable	-	-
Other Post-petition Payable(List):	-	-
<u>Preferred Dividend Payable</u>	653,036.33	-
Total Post Petition Liabilities	\$ 760,382.29	\$ -
Pre Petition Liabilities:		
Secured Debt	-	-
Priority Debt	-	-
Unsecured Debt	637,964.06	637,964.06
Total Pre Petition Liabilities	\$ 637,964.06	\$ 637,964.06
TOTAL LIABILITIES	\$ 1,398,346.35	\$ 637,964.06
OWNERS' EQUITY		
Owner's/Stockholder's Equity	\$ 2,748,937.44	\$ 3,401,973.77
Retained Earnings - Prepetition	(314,827.40)	(314,827.40)
Retained Earnings - Post-petition	95,784.37	-
TOTAL OWNERS' EQUITY	\$ 2,529,894.41	\$ 3,087,146.37
TOTAL LIABILITIES AND OWNERS' EQUITY	\$ 3,928,240.76	\$ 3,725,110.43

(1) The Manager has not conducted a detailed analysis of the historical accounting balances contained herein to determine the accuracy of the information presented.
(2) Petition date values are taken from the Debtor's balance sheet as of the petition date or are the values listed on the Debtor's schedules.

DEBTOR: Castle Arch Opportunity Partners II, LLC

CASE NO: 11-35241

Form 2-D
PROFIT AND LOSS STATEMENT
For Period 05/01/12 to 05/31/12

	Current Month (1)	Accumulated Total (2)
Gross Operating Revenue	\$ 124,184.89	\$ 709,753.66
Less: Discounts, Returns and Allowances	(-)	(-)
Net Operating Revenue	\$ 124,184.89	\$ 709,753.66
Cost of Goods Sold	-	461,241.07
Gross Profit	\$ 124,184.89	\$ 248,512.59
Operating Expenses		
Officer Compensation	\$ -	\$ -
Selling, General and Administrative	20,930.50	97,088.51
Rents and Leases	-	-
Depreciation, Depletion and Amortization	-	-
Other (list): _____	-	19,499.94
	-	-
Total Operating Expenses	\$ 20,930.50	\$ 116,588.45
Operating Income (Loss)	\$ 103,254.39	\$ 131,924.14
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ -	\$ -
Gains (Losses) on Sale of Assets	-	-
Interest Income	-	70.73
Interest Expense	-	-
Other Non-Operating Income	-	-
Net Non-Operating Income or (Expenses)	\$ -	\$ 70.73
Reorganization Expenses		
Legal and Professional Fees (3)	\$ (2,114.50)	\$ 33,210.50
Other Reorganization Expense	-	-
Total Reorganization Expenses	\$ (2,114.50)	\$ 33,210.50
Net Income (Loss) Before Income Taxes	\$ 105,368.89	\$ 98,784.37
Federal and State Income Tax Expense (Benefit)	-	-
NET INCOME (LOSS)	\$ 105,368.89	\$ 98,784.37

(1) The Manager has not conducted a detailed analysis of the historical accounting balances contained herein to determine the accuracy of the information presented.

(2) Accumulated Totals include all revenue and expenses since the petition date.

(3) The CAOPII counsel professional fee and cost estimate was revised down from \$35,000 to \$32,000. An adjustment of -\$3,000 was reflected in May 2012.

DEBTOR: Castle Arch Opportunity Partners II, LLC

CASE NO: 11-35241

**Form 2-E
SUPPORTING SCHEDULES
For Period: 05/01/12 to 05/31/12**

POST PETITION TAXES PAYABLE SCHEDULE

	<u>Beginning Balance (1)</u>	<u>Amount Accrued</u>	<u>Amount Paid</u>	<u>Date Paid</u>	<u>Check Number</u>	<u>Ending Balance</u>
Income Tax Withheld:						
Federal	\$ -	\$ -	\$ -			\$ -
State	-	-	-			-
FICA Tax Withheld	-	-	-			-
Employer's FICA Tax	-	-	-			-
Unemployment Tax						
Federal	-	-	-			-
State	-	-	-			-
Sales, Use & Excise Taxes	-	-	-			-
Property Taxes	-	-	-			-
Accrued Income Tax:						
Federal	-	-	-			-
State	-	-	-			-
Other:	-	-	-			-
TOTALS	\$ -	\$ -	\$ -			\$ -

(1) For first report, Beginning Balance will be \$0; thereafter, Beginning Balance will be Ending Balance from prior report.

INSURANCE SCHEDULE

	<u>Carrier</u>	<u>Amount of Coverage</u>	<u>Expiration Date</u>	<u>Premium Paid Through</u>
Workers' Compensation	None	\$ -	\$	
General Liability	Travelers (1)	\$ 2,000,000	10/18/12	\$ 10/18/12
Property (Fire, Theft)	Travelers (1)	\$ 25,000	10/27/12	\$ 10/27/12
Vehicle	None	\$ -	\$	
Other (list):		\$	\$	
		\$		

(1) The Manager was informed in late May that the vacant land policy for the Tooele, Kingman, Star Valley, and Smyrna properties was terminate. The Manager worked with Travelers to get the policy reinstated in June 2012.






DEBTOR: Castle Arch Opportunity Partners II, LLC

CASE NO: 11-35241

**Form 2-E
SUPPORTING SCHEDULES**

For Period 05/01/12 to 05/31/12

ACCOUNTS RECEIVABLE AND POST PETITION PAYABLE AGING

<u>Due</u>	<u>Accounts Receivable</u>	<u>Post Petition Accounts Payable</u>
Under 30 days	\$ 0.00	\$ 0.00
30 to 60 days	0.00	7,311.07
61 to 90 days	0.00	-12,500.00
91 to 120 days	0.00	29,622.14
Over 120 days	0.00	50,912.75
Total Post Petition	<u>0.00</u>	
Pre Petition Amounts	<u>0.00</u>	
Total Accounts Receivable	\$ 0.00	
Less: Bad Debt Reserve	0.00	
Net Accounts Receivable (to Form 2-C)	<u>\$ 0.00</u>	
	Total Post Petition Accounts Payable	\$ 75,345.96

* Attach a detail listing of accounts receivable and post-petition accounts payable

SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS

	<u>Month-end Retainer Balance</u>	<u>Current Month's Accrual</u>	<u>Paid in Current Month</u>	<u>Date of Court Approval</u>	<u>Month-end Balance Due *</u>
Debtor's Counsel (1)	\$ 30,000	\$ (3,000)	\$ -		\$ 32,000
Counsel for Unsecured Creditors' Committee	-	-	-		-
Trustee's Counsel	-	-	-		-
Accountant	-	-	-		-
Other:	-	-	-		-
Total	<u>\$ 30,000</u>	<u>\$ (3,000)</u>	<u>\$ -</u>		<u>\$ 32,000</u>

*Balance due to include fees and expenses incurred but not yet paid.

SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES**

<u>Payee Name</u>	<u>Position</u>	<u>Nature of Payment</u>	<u>Amount</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

**List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer or director.

(1) The CAOPII counsel professional fee and cost estimate was revised down from \$35,000 to \$32,000. An adjustment of -\$3,000 was reflected in May 2012.

DEBTOR: Castle Arch Opportunity Partners II, LLC

CASE NO: 11-35241

Form 2-F
QUARTERLY FEE SUMMARY *
 For the Month Ended: 05/31/12

<u>Month</u>	<u>Year</u>	<u>Cash Disbursements **</u>	<u>Quarterly Fee Due</u>	<u>Check No.</u>	<u>Date Paid</u>
January	<u>2012</u>	\$ 338,769.69			
February	<u>2012</u>	654,941.00			
March	<u>2012</u>	981,235.59			
TOTAL 1st Quarter		\$ 1,974,946.28	\$ 6,500.00	3000	06/07/12
April	<u>2012</u>	\$ 62,512.00			
May	<u>2012</u>	20,930.50			
June		-			
TOTAL 2nd Quarter		\$ 83,442.50			
July		\$ -			
August		-			
September		-			
TOTAL 3rd Quarter		\$ -			
October	<u>2011</u>	\$ -			
November	<u>2011</u>	-			
December	<u>2011</u>	-			
TOTAL 4th Quarter		\$ -	325.00	1002	02/08/12

FEE SCHEDULE (as of JANUARY 1, 2008)

Subject to changes that may occur to 28 U.S.C. §1930(a)(6)

<u>Quarterly Disbursements</u>	<u>Fee</u>	<u>Quarterly Disbursements</u>	<u>Fee</u>
\$0 to \$14,999.....	\$325	\$1,000,000 to \$1,999,999.....	\$6,500
\$15,000 to \$74,999.....	\$650	\$2,000,000 to \$2,999,999.....	\$9,750
\$75,000 to \$149,999.....	\$975	\$3,000,000 to \$4,999,999.....	\$10,400
\$150,000 to \$224,999.....	\$1,625	\$5,000,000 to \$14,999,999.....	\$13,000
\$225,000 to \$299,999.....	\$1,950	\$15,000,000 to \$29,999,999....	\$20,000
\$300,000 to \$999,999.....	\$4,875	\$30,000,000 or more	\$30,000

* This summary is to reflect the current calendar year's information cumulative to the end of the reporting period

** Should agree with line 3, Form 2-B. Disbursements are net of transfers to other debtor in possession bank accounts

Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]

In addition, unpaid fees are considered a debt owed to the United States and will be assessed interest under 31 U.S.C. §3717

DEBTOR: Castle Arch Opportunity Partners II, LLC

CASE NO: 11-35241

Form 2-G
NARRATIVE

For Period Ending: 05/31/12

Please provide a brief description of any significant business and legal actions taken by the debtor, its creditors, or the court during the reporting period, any unusual or non-recurring accounting transactions that are reported in the financial statements, and any significant changes in the financial condition of the debtor which have occurred subsequent to the report date.

On May 3, 2012, D. Ray Strong was appointed as Chapter 11 Trustee ("Trustee") of Castle Arch Real Estate Investment Company, LLC ("CAREIC"). Pursuant the Trustee's appointment and the existing ownership structure of the other related debtors, the Trustee also functions as the Manager ("Manager") of CAOP Managers, LLC, Castle Arch Opportunity Partners I, LLC ("CAOPI"), Castle Arch Opportunity Partners II, LLC ("CAOPII"), Castle Arch Secured Development Fund, LLC ("CASDF"), Castle Arch Kingman, LLC ("CAK"), and Castle Arch Smyrna, LLC ("CAS") (collectively the "Debtors"). The CAOPII case is jointly administered with the other Debtors.

Shortly after his appointment, the Trustee engaged Dorsey & Whitney, LLP as his counsel and Berkeley Research Group, LLC as his accountants for the CAREIC debtor. Their employment was approved by the Bankruptcy Court on June 13, 2012. The existing counsel for CAOPII remains engaged until a plan of reorganization is confirmed to address issues pertaining to this debtor.

Upon the Trustee's appointment, the Trustee terminated all existing management of CAREIC except Glen Martinsen who was retained to assist with the day-to-day operations and accounting. The Trustee is utilizing a payroll services, Paychex, for the calculation and reporting of payroll. The payroll related expenses are netted and paid to Paychex in a lumpsum for the payroll period. Mr. Martinsen provides services for the Manager relating to CAOPII.

The Trustee has began, among other things: (a) an investigation of Debtor's assets and claims including Longview; (b) reviewed and analyzed the cash needs of the Debtors; (c) developed interim management fees and cash budget; (d) an investigation of Blackstar and Conix transactions; (e) an investigation of the accounting activity of the Debtors; (f) formulation of a plan of reorganization concept; (g) and to develop a detailed Trustee website to provide case information.

The Manager has closed the debtor-in-possession Zions Bank account and setup a new bank account with Preferred Bank.

On May 14, 2012, the Trustee filed an emergency motion seeking approval of proposed use of cash on an interim basis. This motion setforth a limited cash budget and proposed management fees for May 2012 and June 2012 with an understanding that an additional motion would be filed seeking approval for future management fees. The emergency motion was granted by the Bankruptcy Court on May 21, 2012.

The Manager has relied on the currently available records and records prepared by the Debtors to obtain historical activity included on the balance sheet referenced in Form 2C and the profit and loss statement in Form 2D. Work is ongoing to ascertain and determine appropriate balances. Balances may be over or understated and are subject to material modification. The financial statements may change as information becomes available to the Manager. The Manager may dispute the nature and amount of the assets and liabilities presented in these financial statements. As new information becomes available, these balances may be adjusted and updated to reflect the correct amounts. The fact that liabilities and assets may have been omitted, listed and/or adjusted, does not necessarily reflect the final opinion as to the eventual treatment under a plan of reorganization or otherwise.

Historically, activity between the Debtors was recorded through various intercompany accounts which have been very convoluted and commingled. In an effort to differentiate between the historical pre-petition amounts, the post-petition intercompany activity has been reclassified to Accounts Payable for better clarity. Additionally, accrued property taxes are accounted for in accounts payable and not reflected in Form 2E.

The Current Assets account for CREO114 has been reconciled to the Conix's accounting records. Some schedules were not available relating to cash, state-tax withheld, and SAI back-end fees payable and have been netted in CREO0114-Other. The Manager is undertaking a detailed analysis and investigation of the Conix transactions to determine if additional amounts are owed by Conix or losses have been improperly asserted by Conix.

In an effort to provide interested parties with as much information as possible, a website has been created located at www.castlearchtrustee.com. Interested parties should reference the website for more detailed information.

1:39 PM
06/28/12
Accrual Basis

Castle Arch Opportunity Partners II LLC
Balance Sheet
As of May 31, 2012

	May 31, 12
ASSETS	
Current Assets	
Checking/Savings	
10001 · TD Ameritrade - CAOPII	0.04
10002 · Zions - [REDACTED]	975.63
10004 · Pref Bank-Old Trustee [REDACTED]	40,438.95
10005 · Pref Bank-New Trustee [REDACTED]	476,978.43
Total Checking/Savings	518,393.05
Other Current Assets	
Loan Receivable	42,000.00
16000 · Prepaid Expense	30,000.00
17200 · Deposits	20,000.00
17300 · Properties Held for Sale	
756 East Vine St Murray 84107	293,785.59
8204 S Wilson St Midvale-84047	173,730.69
17103 · Western Showcase	554,624.38
17895 · CREO114, LLC	
N/R-Conix-1st Carolina	106,604.91
N/R-Conix-Oak Capital	583,226.56
N/R-Conix-Steel Capital	162,530.23
N/R-Conix-Town Capital I	134,237.26
N/R-Conix 1st Maryland	2,375.81
17895 · CREO114, LLC - Other	10,646.28
Total 17895 · CREO114, LLC	999,621.05
17905 · Blackstar Financial Inc	1,299,086.00
Total 17300 · Properties Held for Sale	3,320,847.71
Total Other Current Assets	3,412,847.71
Total Current Assets	3,931,240.76
TOTAL ASSETS	3,931,240.76
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	75,345.96
20010 · Accrued Legal - Debtors Counsel	35,000.00
Total Accounts Payable	110,345.96
Other Current Liabilities	
25050 · Intercompany Notes	
25056 · CAREIC	103,378.41
25200 · Accrued Interest	-558.08
Total 25050 · Intercompany Notes	102,820.33
Total Other Current Liabilities	102,820.33
Total Current Liabilities	213,166.29
Long Term Liabilities	
23600 · Preferred Dividend Payable	1,188,180.06
Total Long Term Liabilities	1,188,180.06
Total Liabilities	1,401,346.35
Equity	
30000 · Preferred Units Round A	
30010 · Preferred Redemptions Round A	-50,000.00
30000 · Preferred Units Round A - Other	4,401,900.00
Total 30000 · Preferred Units Round A	4,351,900.00
39000 · Retained Earnings	-364,413.08

1:39 PM
06/28/12
Accrual Basis

Castle Arch Opportunity Partners II LLC
Balance Sheet
As of May 31, 2012

	<u>May 31, 12</u>
39100 · Equity Adjustments	
39101 · Preferred Dividends Accrued	-1,188,180.06
39107 · Cash Commissions	<u>-414,782.50</u>
Total 39100 · Equity Adjustments	-1,602,962.56
Net Income	<u>145,370.05</u>
Total Equity	<u>2,529,894.41</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,931,240.76</u></u>

1:40 PM
06/28/12
Accrual Basis

Castle Arch Opportunity Partners II LLC
Profit & Loss
May 2012

	<u>May 12</u>
Ordinary Income/Expense	
Income	
41200 · Sales	
CREO114	122,487.65
Interest - Notes Receivable	975.63
41200 · Sales - Other	721.61
Total 41200 · Sales	<u>124,184.89</u>
Total Income	<u>124,184.89</u>
Gross Profit	124,184.89
Expense	
60040 · Bank Fees	18.00
60580 · Legal Fees	885.50
68000 · Management Fee	20,912.50
Total Expense	<u>21,816.00</u>
Net Ordinary Income	<u>102,368.89</u>
Net Income	<u><u>102,368.89</u></u>

1:46 PM

06/28/12

Castle Arch Opportunity Partners II LLC
A/P Aging Summary
As of May 31, 2012

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>91 - 120</u>	<u>> 120</u>	<u>TOTAL</u>
CAREIC	0.00	0.00	7,311.07	-12,500.00	29,622.14	50,771.08	75,204.29
Colonial Stock Transfer	0.00	0.00	0.00	0.00	0.00	141.67	141.67
Durham Jones & Pinegar	0.00	0.00	35,000.00	0.00	0.00	0.00	35,000.00
TOTAL	0.00	0.00	42,311.07	-12,500.00	29,622.14	50,912.75	110,345.96

2:59 PM
06/12/12

Castle Arch Opportunity Partners II LLC
Reconciliation Detail
 10002 · Zions - [REDACTED] Period Ending 05/31/2012

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						445,135.05
Cleared Transactions						
Checks and Payments - 2 items						
Deposit	5/14/2012	Wire	Zion's Bank	X	-445,117.05	-445,117.05
Check	5/31/2012			X	-18.00	-445,135.05
Total Checks and Payments					-445,135.05	-445,135.05
Deposits and Credits - 1 item						
Deposit	5/21/2012			X	975.63	975.63
Total Deposits and Credits					975.63	975.63
Total Cleared Transactions					-444,159.42	-444,159.42
Cleared Balance					-444,159.42	975.63
Register Balance as of 05/31/2012					-444,159.42	975.63
New Transactions						
Checks and Payments - 1 item						
Deposit	6/6/2012	8015...	Zion's Bank		-975.63	-975.63
Total Checks and Payments					-975.63	-975.63
Total New Transactions					-975.63	-975.63
Ending Balance					-445,135.05	0.00

3:17 PM
05/12/12

Castle Arch Opportunity Partners II LLC
Reconciliation Detail
10004 - Pref Bank-Old Trustee- [REDACTED] Period Ending 05/31/2012

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						0.00
Cleared Transactions						
Checks and Payments - 1 item						
Check	5/23/2012	EFT	CAREIC	X	-20,912.50	-20,912.50
Total Checks and Payments					-20,912.50	-20,912.50
Deposits and Credits - 4 items						
Deposit	5/10/2012			X	8,154.50	8,154.50
Deposit	5/14/2012			X	15,368.84	23,523.34
Deposit	5/14/2012			X	29,250.54	52,773.88
Deposit	5/14/2012			X	445,117.05	-497,890.93
Total Deposits and Credits					497,890.93	497,890.93
Total Cleared Transactions					476,978.43	476,978.43
Cleared Balance					476,978.43	476,978.43
Uncleared Transactions						
Checks and Payments - 1 item						
Deposit	5/31/2012	wire	Preferred Bank		-476,978.43	-476,978.43
Total Checks and Payments					-476,978.43	-476,978.43
Deposits and Credits - 1 item						
Deposit	5/29/2012				40,438.95	40,438.95
Total Deposits and Credits					40,438.95	40,438.95
Total Uncleared Transactions					-436,539.48	-436,539.48
Register Balance as of 05/31/2012					40,438.95	40,438.95
Ending Balance					40,438.95	40,438.95

ZIONS BANK®
 P.O. Box 30709, Salt Lake City, UT 84130-0709

Statement of Accounts

Page 1 of 2
 This Statement: May 31, 2012
 Last Statement: April 30, 2012

Primary Account [REDACTED]

0000578 1553-06-0000-ZF14-PC000Z-00000

CASTLE ARCH OPPORTUNITY PARTNERS II
 JEFFERY SCOTT AUSTIN
 DEBTOR IN POSSESSION
 HOLD AT UT UTSC 0888
 DO NOT MAIL

For 24-hour account information, please contact:

1-800-789-BANK (2265)

zionsbank.com

WE HAVEN'T FORGOTTEN WHO KEEPS US IN BUSINESS. ®

SUMMARY OF ACCOUNT BALANCE

Account Type	Account Number	Checking/Savings Ending Balance	Outstanding Balances Owed
Free Business Checking	[REDACTED]	\$975.63	

FREE BUSINESS CHECKING [REDACTED]

107 0

Previous Balance	Deposits/Credits	Charges/Debits	Checks Processed	Ending Balance
445,135.05	975.63	445,135.05	0.00	975.63

1 DEPOSIT/CREDIT

Date	Amount	Description
05/22	975.63	FCI LOAN PMT. ***** REF # 012143006326331 1102171727

2 CHARGES/DEBITS

Date	Amount	Description
05/14	445,117.05	WIRE/OUT-2012051400002096;BNF CASTLE ARCH OPPORTUNITY PARTNE 1300900996
05/14	18.00	WIRE TRANSACTION SERVICE FEE

0 CHECKS PROCESSED

There were no transactions this period.

AGGREGATE OVERDRAFT AND RETURNED ITEM FEES

	Total for This Period	Total Year-to-Date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

To learn more about our other products and services that may lower the cost of managing account overdrafts or to discuss removing overdraft coverage from your account, please contact Customer Service or visit your local branch.

DAILY BALANCES

Date	Balance	Date	Balance
05/14	0.00	05/22	975.63



MEMBER FDIC



029 00001 00
ACCOUNT:

PAGE: 1
05/31/2012

11-35082 B
BANKRUPTCY ESTATE OF
CASTLE ARCH REAL ESTATE INVEST
D RAY STRONG, TRUSTEE 29
201 S MAIN ST SUITE 450 0
SALT LAKE CITY UT 84111 0

=====

PREFERRED BANK - LOS ANGELES
601 S. FIGUEROA ST. 29TH FLOOR
LOS ANGELES, CA 90017

TELEPHONE:213-891-1188

=====

eSTATEMENTS ARE HERE - LOG ON PBnet PERSONAL ONLINE BANKING TO ENROLL
FDIC deposit insurance rules have changed. Accounts are now insured to
at least \$250,000 under the Standard Maximum Deposit Insurance Amount
(SMDIA) rules. See your branch operations officer or FDIC.gov for more
information.

=====

BANKRUPTCY CHECKING ACCOUNT [REDACTED]

=====

		LAST STATEMENT 05/15/12	.00
AVG AVAILABLE BALANCE	477,331.61	8 CREDITS	497,890.93
AVERAGE BALANCE	480,915.63	1 DEBITS	20,912.50
		THIS STATEMENT 05/31/12	476,978.43

----- OTHER CREDITS -----

DESCRIPTION	DATE	AMOUNT
IN MAIL/NIGHT DROP DEPOSIT	05/15	4,759.27
IN MAIL/NIGHT DROP DEPOSIT	05/15	4,938.15
IN MAIL/NIGHT DROP DEPOSIT	05/15	8,389.24
IN MAIL/NIGHT DROP DEPOSIT	05/15	11,163.88
DEPOSIT VIA WIRE TRANSFER	05/15	445,117.05
IN MAIL/NIGHT DROP DEPOSIT	05/16	8,154.50
IN MAIL/NIGHT DROP DEPOSIT	05/21	6,179.18
IN MAIL/NIGHT DROP DEPOSIT	05/21	9,189.66

----- OTHER DEBITS -----

DESCRIPTION	DATE	AMOUNT
TRANSFER TO # [REDACTED]	05/23	20,912.50

*** CONTINUED ***



029 00001 00
ACCOUNT:

PAGE: 2
05/31/2012

11-35082

=====

BANKRUPTCY CHECKING ACCOUNT [REDACTED]

=====

- - - ITEMIZATION OF OVERDRAFT AND RETURNED ITEM FEES - - -

*		TOTAL FOR	TOTAL	*
*		THIS PERIOD	YEAR TO DATE	*

*	TOTAL OVERDRAFT FEES:	\$.00	\$.00	*
*	TOTAL RETURNED ITEM FEES:	\$.00	\$.00	*

- - - - - DAILY BALANCE - - - - -

DATE.....	BALANCE	DATE.....	BALANCE	DATE.....	BALANCE
05/15	474,367.59	05/21	497,890.93		
05/16	482,522.09	05/23	476,978.43		

- END OF STATEMENT -