

"CAOP I"

DEBTOR: Castle Arch Opportunity Partners I, LLC

**MONTHLY OPERATING REPORT
CHAPTER 11**

CASE NUMBER: 11-35240

**Form 2-A
COVER SHEET**

For Period Ending 08/31/12

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: 10/03/12

Print Name: D. Ray Strong

Signature: 

Title: Manager

DEBTOR: Castle Arch Opportunity Partners I, LLC

CASE NO: 11-35240

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT
For Period: 8/1/12 to 8/31/12

CASH RECEIPTS DETAIL
(attach additional sheets as necessary)

Account No: Preferred Bank-***4690

Date	Payer	Description	Amount
08/17/12	Conix	Principal & Interest on Oak Capital Note	\$ 4,595.22

Total Cash Receipts

\$ 4,595.22 (1)

DEBTOR: Castle Arch Opportunity Partners I, LLC CASE NO: 11-35240

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT
For Period: 8/1/12 to 8/31/12

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No: Preferred Bank-***4690

Date	Check No.	Payee	Description (Purpose)	Amount
08/01/12	EFT	CAREIC	August Management Fee	\$ 13,000.00

Total Cash Disbursements \$ 13,000.00 (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: 08/31/12

ASSETS	Current Month (1)	Petition Date (2)
Current Assets:		
Cash (from Form 2-B, line 5)	\$ 435,586.01	\$ 385,457.71
Accounts Receivable (from Form 2-E)	-	-
Receivable from Officers, Employees, Affiliates	1,577.31	-
Inventory	-	-
Other Current Assets (List):		
<u>Real Estate Investments</u>	944,718.07	1,272,211.16
<u>Tooele Land</u>	5,376,050.00	5,376,050.00
Total Current Assets	\$ <u>6,757,931.39</u>	\$ <u>7,033,718.87</u>
Fixed Assets:		
Land	\$ -	\$ -
Building	-	-
Equipment, Furniture and Fixtures	-	-
Total Fixed Assets	(-)	(-)
Less: Accumulated Depreciation	(-)	(-)
Net Fixed Assets	\$ -	\$ -
Other Assets (List):		
<u>Pre-Paid Legal Retainer</u>	50,000.00	-
	-	-
TOTAL ASSETS	\$ <u>6,807,931.39</u>	\$ <u>7,033,718.87</u>
LIABILITIES		
Post-petition Accounts Payable (from Form 2-E)	\$ 227,940.25	\$ -
Post-petition Accrued Professional Fees (from Form 2-E)	76,794.10	-
Post-petition Taxes Payable (from Form 2-E)	-	-
Post-petition Notes Payable	-	-
Other Post-petition Payable(List):		
<u>I/C Transaction</u>	20,000.00	-
<u>Preferred Dividend Payable</u>	3,186,832.77	-
<u>Note Interest Payable</u>	26,630.14	-
Total Post Petition Liabilities	\$ <u>3,538,197.26</u>	\$ -
Pre Petition Liabilities:		
Secured Debt	100,000.00	100,000.00
Priority Debt	-	-
Unsecured Debt	(12,985.86)	(12,985.86)
Total Pre Petition Liabilities	\$ <u>87,014.14</u>	\$ <u>87,014.14</u>
TOTAL LIABILITIES	\$ <u>3,625,211.40</u>	\$ <u>87,014.14</u>
OWNERS' EQUITY		
Owner's/Stockholder's Equity	\$ 4,633,184.47	\$ 7,820,017.24
Retained Earnings - Prepetition	(873,312.51)	(873,312.51)
Retained Earnings - Post-petition	(577,151.97)	-
TOTAL OWNERS' EQUITY	\$ <u>3,182,719.99</u>	\$ <u>6,946,704.73</u>
TOTAL LIABILITIES AND OWNERS' EQUITY	\$ <u>6,807,931.39</u>	\$ <u>7,033,718.87</u>

(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 I, LLC

CASE NO: 11-35240

Form 2-D
PROFIT AND LOSS STATEMENT
For Period 08/01/12 to 08/31/12

	Current Month (1)	Accumulated Total (2)
Gross Operating Revenue	\$ 768.00	\$ 103,439.98
Less: Discounts, Returns and Allowances	(-)	(-)
Net Operating Revenue	\$ 768.00	\$ 103,439.98
Cost of Goods Sold	-	267,558.52
Gross Profit	\$ 768.00	\$ (164,118.54)
Operating Expenses		
Officer Compensation	\$ -	\$ -
Selling, General and Administrative	13,000.00	274,409.60
Rents and Leases	-	-
Depreciation, Depletion and Amortization	-	-
Other (list): <u>Property Tax</u>	-	29,043.23
	-	-
Total Operating Expenses	\$ 13,000.00	\$ 303,452.83
Operating Income (Loss)	\$ (12,232.00)	\$ (467,571.37)
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ -	\$ -
Gains (Losses) on Sale of Assets	-	-
Interest Income	11.34	26.05
Interest Expense	-	(26,630.14)
Other Non-Operating Income	-	-
Net Non-Operating Income or (Expenses)	\$ 11.34	\$ (26,604.09)
Reorganization Expenses		
Legal and Professional Fees (3)	\$ 2,468.00	\$ 81,995.09
Other Reorganization Expense	-	981.42
Total Reorganization Expenses	\$ 2,468.00	\$ 82,976.51
Net Income (Loss) Before Income Taxes	\$ (14,688.66)	\$ (577,151.97)
Federal and State Income Tax Expense (Benefit)	-	-
NET INCOME (LOSS)	\$ (14,688.66)	\$ (577,151.97)

(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.

DEBTOR: Castle Arch Opportunity Partners I, LLC

CASE NO: 11-35240

**Form 2-E
SUPPORTING SCHEDULES
For Period: 08/01/12 to 08/31/12**

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): D&O	Rockhill	\$ 5,000,000	See Note 2	
		\$		

(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.

(2) The D&O policy is a claims made policy and was paid by CAREIC through October 2011. At the time, the Manager understands the premiums are being paid by the former officers and directors. The Manager is currently in discussions with carrier regarding coverage issues.

DEBTOR: Castle Arch Opportunity Partners I, LLC

CASE NO: 11-35240

**Form 2-E
SUPPORTING SCHEDULES**

For Period 08/01/12 to 08/31/12

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	0.00
61 to 90 days	0.00	0.00
91 to 120 days	0.00	0.00
Over 120 days	0.00	227,940.25
Total Post Petition	<u>0.00</u>	
Pre Petition Amounts	<u>0.00</u>	
Total Accounts Receivable	\$ 0.00	
Less: Bad Debt Reserve	<u>0.00</u>	
Net Accounts Receivable (to Form 2-C)	<u>\$ 0.00</u>	
	Total Post Petition Accounts Payable	\$ <u>227,940.25</u>

* 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	\$ 50,000.00	\$ 2,468.00	\$ -		\$ 76,794.10
Counsel for Unsecured Creditors' Committee	-	-	-		-
Trustee's Counsel	-	-	-		-
Accountant	-	-	-		-
Other:	-	-	-		-
Total	<u>\$ 50,000.00</u>	<u>\$ 2,468.00</u>	<u>\$ -</u>		<u>\$ 76,794.10</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.

DEBTOR: Castle Arch Opportunity Partners I, LLC

CASE NO: 11-35240

**Form 2-F
QUARTERLY FEE SUMMARY ***
For the Month Ended: 08/31/12

<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>	\$ 50,000.00			
February	<u>2012</u>	361,743.00			
March	<u>2012</u>	200,018.00			
TOTAL 1st Quarter		\$ <u>611,761.00</u>	\$ <u>4,875.00</u>	<u>3001</u>	<u>06/07/12</u>
April	<u>2012</u>	\$ 20,386.10			
May	<u>2012</u>	20,930.50			
June	<u>2012</u>	11,995.38			
TOTAL 2nd Quarter		\$ <u>53,311.98</u>	\$ <u>650.00</u>	<u>3006</u>	<u>07/27/12</u>
July	<u>2012</u>	\$ 16,434.70			
August	<u>2012</u>	13,000.00			
September		-			
TOTAL 3rd Quarter		\$ <u>29,434.70</u>	\$		
October	<u>2011</u>	\$ -			
November	<u>2011</u>	500.00			
December	<u>2011</u>	20,000.00			
TOTAL 4th Quarter		\$ <u>20,500.00</u>	\$ <u>650.00</u>	<u>3001</u> <u>1003</u>	<u>06/07/12</u> <u>02/08/12</u>

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 I, LLC

CASE NO: 11-35240

**Form 2-G
NARRATIVE
For Period Ending: 08/31/12**

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 of Castle Arch Real Estate Investment Company, LLC ("Trustee"). Pursuant the Trustee's appointment and the existing ownership structure of the other related debtors, the Trustee also functions as the Manager of CAOP Managers, LLC ("CAOP Managers"), 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").

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

Upon the Trustee's appointment, the Trustee terminated all existing management 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 lump-sum for the payroll period. Mr. Martinsen provides services for the Manager relating to CAOPI.

On June 5, 2012, the Trustee filed a motion seeking approval of a proposed cash management plan. The cash management plan included, among other things, the assessment of monthly CAREIC management fees for the various Debtors, establishment of a quarterly procedure by the Court to reassess the monthly management fees, and authorization of minimal loans from CAOPI and CAOPII to certain Debtors to pay ongoing expenses. The management fees from July 2012 through September 2012 are: (a) \$2,000 for CAOP Managers; (b) \$13,000 for CAOPI; (c) \$13,000 for CAOPII; (d) \$7,000 for CAK; (e) \$7,000 for CAS; and (f) \$4,000 for CASDF. The amounts requested for the certain Debtors to borrow on an as needed bases are up to: (a) \$5,000 for CAOP Managers; (b) \$20,000 for CAK; (c) \$15,000 for CASDF. The cash management plan motion was granted by the Bankruptcy Court on June 29, 2012.

On June 18, 2012, the Trustee/Manager engaged and subsequently submitted a motion to the Bankruptcy Court to employ Commerce Real Estate Solutions ("Commerce") as its real estate broker to sell certain real property and water rights owned by CAREIC and/or its related entities. The identified real property to be sold included approximately: (a) 348 acres in Tooele, Utah; (b) 534 acres in Kingman, Arizona; (c) 484 acres in Smyrna, Tennessee; and 39 acres in Thayne, Wyoming. Commerce is currently reviewing the various parcels, existing entitlements, and related documentation. The real property transactions are complex and convoluted which is taking time to fully understand the properties in order to list the properties. Commerce has listed the Tooele, Kingman, and Star Valley properties which information can be accessed on the Trustee and the commercial real estate LoopNet websites. Commerce is visited with city officials in Kingman the first week of September 2012 to gather additional information about entitlements, water rights, and mineral rights. The Smyrna property is still under review and investigation and the Trustee anticipates listing the property shortly.

DEBTOR: Castle Arch Opportunity Partners I, LLC

CASE NO: 11-35240

Form 2-G – Page 2
NARRATIVE
For Period Ending: 08/31/12

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.

The Trustee/Manager and his professionals have spent a significant amount of time reviewing and analyzing the multi-million dollar claims filed by Longview Financial Holdings, Inc. and Longview Financial Group, Inc. (collectively "Longview") against CAREIC and the related Debtors in an effort to potentially resolve the claims. The Trustee/Manager and his professionals continue to analyze the claims and related issues. On July 3, 2012, Longview filed an amended motion seeking relief from the automatic stay, which the Trustee/Manager opposed on July 23, 2012. Longview replied to the Trustee's objection on August 2, 2012. A preliminary hearing was scheduled and held on August 8, 2012 which scheduled an evidentiary hearing for August 27, 2012. The August 27, 2012 hearing was held and continued until September 13, 2012 while Longview and the Trustee attempt to settlement the matter. This hearing was further continued until October 9, 2012 while settlement negotiations continue.

The Trustee/Manager and his professionals have developed and analyzed a plan concept that was shared with the Bankruptcy Court at the June 29, 2012 hearing regarding the cash management plan. The Trustee/Manager filed his proposed disclosure statement and plan with the Court on September 29, 2012 for Court approval.

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.

The Trustee/Manager has been actively requesting turnover of Debtor related documents from various parties. During September and October the Trustee/Manager has filed various motions to compel several of the parties to turnover or produce the requested information and documentation.

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

3:40 PM
09/12/12

Castle Arch Opportunity Partners I, LLC
A/P Aging Summary
As of August 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>
Broadway Copy	0.00	0.00	0.00	0.00	0.00	5,063.75	5,063.75
CAREIC	0.00	0.00	0.00	0.00	0.00	198,620.35	198,620.35
Colonial Stock Transfer	0.00	0.00	0.00	0.00	0.00	276.67	276.67
McKay, Burton & Thurman	2,468.00	1,813.10	4,042.50	4,379.00	0.00	64,091.50	76,794.10
Tooele County Treasurer	0.00	0.00	0.00	0.00	0.00	29,043.23	29,043.23
TOTAL	2,468.00	1,813.10	4,042.50	4,379.00	0.00	297,095.50	309,798.10

5:00 PM
09/17/12
Accrual Basis

Castle Arch Opportunity Partners I, LLC
Balance Sheet
As of August 31, 2012

	<u>Aug 31, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
10003 · Pref Bank-New [REDACTED]	433,586.01
10110 · HSBC Foreign Currency Savings	2,000.00
Total Checking/Savings	<u>435,586.01</u>
Other Current Assets	
22510 · I/C Interest Accrual	13.86
22501 · I/C-Post Trustee-CAK	586.59
22502 · I/C - Post Trustee - CASDF	488.43
22504 · I/C - Post Trustee - CAOPM	488.43
17300 · Properties Held for Sale	
17905 · Blackstar Financial Inc	561,386.00
17901 · Wholesale Foreclosures	101,363.24
17102 · Tooele, UT	
17103 · Unrealized Gain on Tooele Prop	-2,304,000.00
17102 · Tooele, UT - Other	7,680,050.00
Total 17102 · Tooele, UT	<u>5,376,050.00</u>
17850 · Conix - CREO108	
Town 3	119,828.07
Oak Capital, LLC	152,385.03
17850 · Conix - CREO108 - Other	9,755.73
Total 17850 · Conix - CREO108	<u>281,968.83</u>
Total 17300 · Properties Held for Sale	6,320,768.07
16000 · Prepaid Expense	50,000.00
Total Other Current Assets	<u>6,372,345.38</u>
Total Current Assets	<u>6,807,931.39</u>
TOTAL ASSETS	<u>6,807,931.39</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20010 · Debtors Counsel Accrued Legal	76,794.10
20000 · Accounts Payable	233,004.00
Total Accounts Payable	<u>309,798.10</u>
Other Current Liabilities	
Interest Payable-Tooele-Kingsto	26,630.14
Notes Payable - Tooele-Kingston	100,000.00
25050 · Intercompany Notes	
25200 · Accrued Interest	-8,605.44
25058 · CAS	-100,000.00
25056 · CAREIC	128,073.08
25055 · CAOPIII	-17,517.25
Total 25050 · Intercompany Notes	<u>1,950.39</u>
Total Other Current Liabilities	<u>128,580.53</u>
Total Current Liabilities	438,378.63
Long Term Liabilities	
23600 · Preferred Dividend Payable	3,186,832.77
Total Long Term Liabilities	<u>3,186,832.77</u>
Total Liabilities	3,625,211.40

5:00 PM
09/17/12
Accrual Basis

Castle Arch Opportunity Partners I, LLC
Balance Sheet
As of August 31, 2012

	<u>Aug 31, 12</u>
Equity	
39100 · Equity Adjustments	
39101 · Preferred Dividends Accrued	-3,186,832.77
39106 · Cash Referral Fees	-29,272.08
39107 · Cash Commissions	-677,788.63
Total 39100 · Equity Adjustments	<u>-3,893,893.48</u>
30000 · Preferred Units Round A	
30010 · Preferred Redemptions Round A	-1,515,911.00
30000 · Preferred Units Round A - Other	10,042,988.95
Total 30000 · Preferred Units Round A	<u>8,527,077.95</u>
39000 · Retained Earnings	-1,115,596.16
Net Income	-334,868.32
Total Equity	<u>3,182,719.99</u>
TOTAL LIABILITIES & EQUITY	<u><u>6,807,931.39</u></u>

5:01 PM
09/17/12
Accrual Basis

Castle Arch Opportunity Partners I, LLC
Profit & Loss
August 2012

	<u>Aug 12</u>
Ordinary Income/Expense	
Income	
41200 · Sales	
CREO108	768.00
Total 41200 · Sales	<u>768.00</u>
Total Income	<u>768.00</u>
Gross Profit	768.00
Expense	
68000 · Management Fee	13,000.00
60580 · Legal Fees	2,468.00
Total Expense	<u>15,468.00</u>
Net Ordinary Income	-14,700.00
Other Income/Expense	
Other Income	
43000 · Interest income	11.34
Total Other Income	<u>11.34</u>
Net Other Income	<u>11.34</u>
Net Income	<u><u>-14,688.66</u></u>

1:08 PM
09/10/12

Castle Arch Opportunity Partners I, LLC
Reconciliation Detail
10003 · Pref Bank-New [REDACTED] Period Ending 08/31/2012

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						433,123.53
Cleared Transactions						
Checks and Payments - 5 items						
Check	7/26/2012	3004	Travelers Insurance	X	-394.39	-394.39
Check	7/27/2012	3006	US Trustee	X	-656.42	-1,050.81
Check	7/27/2012	3007	Travelers Insurance	X	-394.39	-1,445.20
Check	7/27/2012	3005	Maricopa County Tr...	X	-363.24	-1,808.44
Check	8/1/2012	EFT	CAREIC	X	-13,000.00	-14,808.44
Total Checks and Payments					-14,808.44	-14,808.44
Deposits and Credits - 2 items						
Deposit	7/31/2012			X	10,675.70	10,675.70
Deposit	8/17/2012			X	4,595.22	15,270.92
Total Deposits and Credits					15,270.92	15,270.92
Total Cleared Transactions					462.48	462.48
Cleared Balance					462.48	433,586.01
Register Balance as of 08/31/2012					462.48	433,586.01
New Transactions						
Deposits and Credits - 1 item						
Deposit	9/6/2012				6,906.17	6,906.17
Total Deposits and Credits					6,906.17	6,906.17
Total New Transactions					6,906.17	6,906.17
Ending Balance					7,368.65	440,492.18



029 00001 00
ACCOUNT:

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08/31/2012

11-35240 B
BANKRUPTCY ESTATE OF
CASTLE ARCH OPPTY PARTNERS I
D RAY STRONG, TRUSTEE 29
201 S MAIN ST SUITE 450 0
SALT LAKE CITY UT 84111 4

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

		LAST STATEMENT 07/31/12	433,123.53
AVG AVAILABLE BALANCE	428,703.10	3 CREDITS	15,270.92
AVERAGE BALANCE	430,180.94	5 DEBITS	14,808.44
		THIS STATEMENT 08/31/12	433,586.01

OTHER CREDITS

DESCRIPTION	DATE	AMOUNT
IN MAIL/NIGHT DROP DEPOSIT	08/03	4,063.88
IN MAIL/NIGHT DROP DEPOSIT	08/03	6,611.82
IN MAIL/NIGHT DROP DEPOSIT	08/24	4,595.22

CHECKS

CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT
3004 08/02 394.39	3006 08/07 656.42	
3005 08/07 363.24	3007 08/06 394.39	

OTHER DEBITS

DESCRIPTION	DATE	AMOUNT
Outgoing Wire Transfer CASTLE ARCH REAL ESTATE INVESTMENT 3181	08/02	13,000.00

* * * C O N T I N U E D * * *



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ACCOUNT:

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08/31/2012

11-35240

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BANKRUPTCY CHECKING ACCOUNT

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- - - 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
08/02	419,729.14	08/06	430,010.45	08/24	433,586.01
08/03	430,404.84	08/07	428,990.79		

- END OF STATEMENT -