

"CAREIC"

DEBTOR: Castle Arch Real Estate Investment Company, LLC. **MONTHLY OPERATING REPORT**
CHAPTER 11

CASE NUMBER: 11-35082

Form 2-A
COVER SHEET

For Period Ending 11/30/12


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: 01/02/13 **Print Name:** D. Ray Strong
Signature: 
Title: Chapter 11 Trustee

DEBTOR: Castle Arch Real Estate Investment Company, LLC. **CASE NO:** 11-35082

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

For Period: 11/1/12 to 11/30/12

CASH FLOW SUMMARY

	Current Month	Accumulated
1. Beginning Cash Balance	\$ <u>70,850.79</u> (1)	\$ <u>250,496.48</u> (1)
2. Cash Receipts		
Operations	33,000.00	268,838.18
Sale of Assets	-	500.00
Loans/advances	-	-
Other	-	1,172.98
Total Cash Receipts	\$ <u>33,000.00</u>	\$ <u>270,511.16</u>
3. Cash Disbursements		
Operations	8,835.07	420,290.81
Debt Service/Secured loan payment	-	-
Professional fees/U.S. Trustee fees	-	2,603.11
Other	-	3,098.00
Total Cash Disbursements	\$ <u>8,835.07</u>	\$ <u>425,991.92</u>
4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements)	<u>24,164.93</u>	<u>(155,480.76)</u>
5 Ending Cash Balance (to Form 2-C)	\$ <u>95,015.72</u> (2)	\$ <u>95,015.72</u> (2)

CASH BALANCE SUMMARY

	<u>Financial Institution</u>	<u>Book Balance</u>
Petty Cash	_____	\$ -
DIP Operating Account	<u>Zions Bank *****4950 (Closed)</u>	-
Trustee Operating Account	<u>Preferred Bank ***3333</u>	94,889.71
Trustee Payroll Account	<u>Preferred Bank ***4658</u>	126.01
Other Operating Account	_____	-
Other Interest-bearing Account	_____	-
TOTAL (must agree with Ending Cash Balance above)		\$ <u>95,015.72</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.
Note: Cash Receipts and Disbursements are net of account transfers.

DEBTOR: Castle Arch Real Estate Investment Company, LLC. CASE NO: 11-35082

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

For Period: 11/1/12 to 11/30/12

CASH RECEIPTS DETAIL

(attach additional sheets as necessary)

Account No:

Preferred Bank-*3333**

Date	Payer	Description	Amount
			\$
11/15/12	CAS	November Management Fee	7,000.00
11/15/12	CAOPI	November Management Fee	13,000.00
11/15/12	CAOPII	November Management Fee	13,000.00

CASH RECEIPTS DETAIL

(attach additional sheets as necessary)

Account No:

Preferred Bank-PR-*4658**

Date	Payer	Description	Amount
			\$

Total Cash Receipts

\$ 33,000.00 (1)

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

DEBTOR: Castle Arch Real Estate Investment Company, LLC. CASE NO: 11-35082

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT
 For Period: 11/1/12 to 11/30/12

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No: Preferred Bank-***3333

Date	Check No.	Payee	Description (Purpose)	Amount
11/13/12	347	CenturyLink	Phone & Internet Nov	246.91
11/13/12	349	Paychex	PR Processing	108.55
11/13/12	348	Glen Martinsen	Expense Reimbursement	30.86
11/13/12	350	Strong Connexions	Inv#1251-trustee website	125.00

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No: Preferred Bank-PR-***4658

Date	Check No.	Payee	Description (Purpose)	Amount
11/30/12	EFT Pull	Paychex	Nov 2012 Payroll - Glen Martinsen	8,323.75

Total Cash Disbursements \$ 8,835.07 (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: 11/30/12

	Current Month (1)	Petition Date (2)
ASSETS		
Current Assets:		
Cash (from Form 2-B, line 5)	\$ 95,015.72	\$ 250,496.48
Accounts Receivable (from Form 2-E)	338,824.64	800.00
Receivable from Officers, Employees, Affiliates	-	-
Inventory	-	-
Other Current Assets (List): <u>Pre-Paid Legal</u>	312,500.00	257,500.00
<u>I/C Post Trustee-CAK Receivable</u>	472.95	-
<u>Notes Receivable</u>	424,347.95	442,497.95
 Total Current Assets	 <u>\$ 1,171,161.26</u>	 <u>\$ 951,294.43</u>
Fixed Assets:		
Land	\$ -	\$ -
Building	-	-
Equipment, Furniture and Fixtures	16,381.24	16,381.24
 Total Fixed Assets	 <u>16,381.24</u>	 <u>16,381.24</u>
Less: Accumulated Depreciation	(9,539.16)	(6,262.88)
 Net Fixed Assets	 <u>\$ 6,842.08</u>	 <u>\$ 10,118.36</u>
Other Assets (List):		
<u>Star Valley Property</u>	400,000.00	401,730.95
<u>Land Deposits CAK, CAS</u>	13,500.00	13,500.00
 TOTAL ASSETS	 <u><u>\$ 1,591,503.34</u></u>	 <u><u>\$ 1,376,643.74</u></u>
LIABILITIES		
Post-petition Accounts Payable (from Form 2-E)	\$ 12,582.75	\$ -
Post-petition Accrued Professional Fees (from Form 2-E)	1,198,532.01	-
Post-petition Taxes Payable (from Form 2-E)	-	-
Post-petition Notes Payable	-	-
Other Post-petition Payable(List): <u>Note Interest Payable</u>	47,608.77	-
<u>Accrued Payroll</u>	137,048.56	-
<u>Preferred Dividends Payable</u>	3,073,928.27	-
 Total Post Petition Liabilities	 <u>\$ 4,469,700.36</u>	 <u>\$ -</u>
Pre Petition Liabilities:		
Secured Debt	343,380.71	343,380.71
Priority Debt	-	-
Unsecured Debt	9,818,613.87	9,829,378.69
 Total Pre Petition Liabilities	 <u>\$ 10,161,994.58</u>	 <u>\$ 10,172,759.40</u>
 TOTAL LIABILITIES	 <u><u>\$ 14,631,694.94</u></u>	 <u><u>\$ 10,172,759.40</u></u>
OWNERS' EQUITY		
Owner's/Stockholder's Equity	\$ 26,439,379.74	\$ 29,513,308.01
Retained Earnings - Prepetition	(38,309,423.67)	(38,309,423.67)
Retained Earnings - Post-petition	(1,170,147.67)	-
 TOTAL OWNERS' EQUITY	 <u><u>\$ (13,040,191.60)</u></u>	 <u><u>\$ (8,796,115.66)</u></u>
 TOTAL LIABILITIES AND OWNERS' EQUITY	 <u><u>\$ 1,591,503.34</u></u>	 <u><u>\$ 1,376,643.74</u></u>

(1) The Trustee has not conducted an 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 Real Estate Investment Company, LLC.

CASE NO: 11-35082

Form 2-D
PROFIT AND LOSS STATEMENT
For Period 11/01/12 to 11/30/12

	<u>Current Month (1)</u>	<u>Accumulated Total (2)</u>
Gross Operating Revenue	\$ 46,000.00	\$ 546,601.64
Less: Discounts, Returns and Allowances	(-)	(-)
Net Operating Revenue	\$ 46,000.00	\$ 546,601.64
Cost of Goods Sold	-	1,730.95
Gross Profit	\$ 46,000.00	\$ 544,870.69
Operating Expenses		
Officer Compensation	\$ 8,073.75	\$ 326,311.56
Selling, General and Administrative	636.32	190,677.88
Rents and Leases	-	10,489.99
Depreciation, Depletion and Amortization	-	3,276.28
Other (list): _____	-	-
_____	-	-
Total Operating Expenses	\$ 8,710.07	\$ 530,755.71
Operating Income (Loss)	\$ 37,289.93	\$ 14,114.98
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ -	\$ (300.00)
Gains (Losses) on Sale of Assets	-	-
Interest Income	1.54	30,605.54
Interest Expense	-	-
Other Non-Operating Income	-	1,191.93
Net Non-Operating Income or (Expenses)	\$ 1.54	\$ 31,497.47
Reorganization Expenses		
Legal and Professional Fees	\$ 121,093.32	\$ 1,203,210.12
Other Reorganization Expense (Chapter 11 Trustee Bond)	-	12,550.00
Total Reorganization Expenses	\$ 121,093.32	\$ 1,215,760.12
Net Income (Loss) Before Income Taxes	\$ (83,801.85)	\$ (1,170,147.67)
Federal and State Income Tax Expense (Benefit)	-	-
NET INCOME (LOSS)	\$ (83,801.85)	\$ (1,170,147.67)

(1) The Trustee has not conducted an 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 Real Estate Investment Company, LLC.

CASE NO: 11-35082

**Form 2-E
SUPPORTING SCHEDULES**

For Period: 11/01/12 to 11/30/12

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	\$ 0.00	\$ 0.00	\$ 0.00			\$ 0.00
State	0.00	0.00	0.00			0.00
FICA Tax Withheld	0.00	0.00	0.00			0.00
Employer's FICA Tax	0.00	0.00	0.00			0.00
Unemployment Tax						
Federal	0.00	0.00	0.00			0.00
State	0.00	0.00	0.00			0.00
Sales, Use & Excise Taxes	0.00	0.00	0.00			0.00
Property Taxes	0.00	0.00	0.00			0.00
Accrued Income Tax:						
Federal	0.00	0.00	0.00			0.00
State	0.00	0.00	0.00			0.00
Other: _____	0.00	0.00	0.00			0.00
TOTALS	\$ 0.00	\$ 0.00	\$ 0.00			\$ 0.00

(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)	\$ 2,000,000.00	10/18/12	10/18/12
Property (Fire, Theft)	Travelers (1)	\$ 25,000.00	10/27/12	10/27/12
Vehicle	None	\$ -		
Other (list):				
Primary D&O	Rockhill Insurance	\$ 5,000,000.00	11/20/10	See Note 2
Excess D&O	RSUI Indemnity	5,000,000.00	11/20/10	See Note 2
Excess D&O	Zurich America	5,000,000.00	11/20/10	See Note 2
Excess D&O	Navigator Insurance	5,000,000.00	11/20/10	See Note 2
D&O	Axis Surplus Insurance	5,000,000.00	12/20/11	See Note 2
D&O	Axis Surplus Insurance	1,000,000.00	01/20/13	See Note 2

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

(2) The D&O policies are claims made policies and were paid by CAREIC through December 2011. At that time, the Trustee understands the premiums are being paid by the former officers and directors.

DEBTOR: Castle Arch Real Estate Investment Company, LLC.

CASE NO:

11-35082

**Form 2-E
SUPPORTING SCHEDULES**

For Period 11/01/12 to 11/30/12

ACCOUNTS RECEIVABLE AND POST PETITION PAYABLE AGING

<u>Due</u>	<u>Accounts Receivable</u>	<u>Post Petition Accounts Payable</u>
Under 30 days	\$ 26,000.00	\$ 0.00
30 to 60 days	0.00	0.00
61 to 90 days	13,000.00	0.00
91 to 120 days	26,000.00	0.00
Over 120 days	273,824.64	12,582.75
Total Post Petition	<u>338,824.64</u>	
Pre Petition Amounts	<u>0.00</u>	
Total Accounts Receivable	\$ <u>338,824.64</u>	
Less: Bad Debt Reserve	<u>0.00</u>	
Net Accounts Receivable (to Form 2-C)	<u>\$ 338,824.64</u>	
	Total Post Petition Accounts Payable	\$ <u>12,582.75</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>
Trustee	\$ 0.00	\$ 24,500.00	\$ 0.00	0.00	\$ 169,950.00
Trustee Counsel (1)	0.00	70,160.18	0.00	0.00	489,726.78
Trustee Accountants (1)	0.00	13,700.00	0.00	0.00	148,700.00
Former Debtor's Counsel	100,000.00	0.00	0.00	0.00	243,951.13
Counsel for Unsecured Creditors' Committee	0.00	12,608.14	0.00	0.00	146,204.10
Other:	<u>212,500.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total	\$ <u>312,500.00</u>	\$ <u>120,968.32</u>	\$ <u>0.00</u>	\$ <u>0.00</u>	\$ <u>1,198,532.01</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>
<u>Martinsen, Glen</u>	<u>CFO</u>	<u>Salary, P/R Taxes & Expense Reimb.</u>	<u>8,073.75</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. Upon the Trustee's appointment, Jeff Austin and David Hunt were terminated. Glen Martinsen was retained by the Trustee to assist with day-to-day accounting. Amounts do not include Payroll taxes paid.

(1) Includes substantial fees and costs relating to Longview that are covered by the D&O policies.

DEBTOR: Castle Arch Real Estate Investment Company, LLC.

CASE NO: 11-35082

**Form 2-F
QUARTERLY FEE SUMMARY ***
For the Month Ended: 11/30/12

<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>	\$ 34,553.95			
February	<u>2012</u>	131,498.94			
March	<u>2012</u>	31,192.17			
TOTAL 1st Quarter		\$ 162,691.11	\$ 1,625.00	315	07/06/12
April	<u>2012</u>	\$ 32,715.44			
May	<u>2012</u>	36,386.11			
June	<u>2012</u>	14,064.88			
TOTAL 2nd Quarter		\$ 83,166.43	\$ 975.00	320	07/27/12
July	<u>2012</u>	\$ 31,636.54			
August	<u>2012</u>	11,336.65			
September	<u>2012</u>	12,805.99			
TOTAL 3rd Quarter		\$ 55,779.18	\$ 650.00	344	10/23/12
October	<u>2012</u>	\$ 26,985.04			
November	<u>2012</u>	8,835.07			
December	<u> </u>				
TOTAL 4th Quarter		\$ 35,820.11			

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 Real Estate Investment Company, LLC

CASE NO: 11-35082

**Form 2-G
NARRATIVE**

For Period Ending: 11/30/12

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.

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 Trustee/Manager relating to CAREIC and the other Debtors. As of November 30, 2012, the Trustee/Manager has closed the Castle Arch office located at 8 East Broadway, Salt Lake City, Utah. As a result, Mr. Martinsen's employment with Castle Arch has been terminated. Additionally, certain office equipment and other related personal property was moved to Erkelens & Olson, the Trustee/Manager's proposed auctioneer, where the property was sold at public auction on December 15, 2012. The Trustee/Manager has taken steps and precautions to protect any personal information of investors or creditors that was located on computers or included in files at the Castle Arch office.

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 October 1, 2012, the Court approved a stipulated motion to continue the use of cash and the payment of the existing approved management fees at the current amounts with a reservation of rights as to a reconciliation and true-up of these amounts based on the actual level of efforts to manage the cases. On December 31, 2012, the Court approved another stipulated motion to continue the use of cash and payment of existing approved management fees through April 1, 2013.

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 has been

DEBTOR: Castle Arch Real Estate Investment Company, LLC

CASE NO: 11-35082

Form 2-G – Page 2

NARRATIVE

For Period Ending: 11/30/12

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.

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, Smyrna, and Star Valley properties which information can be accessed on the Trustee and the commercial real estate LoopNet websites. Commerce visited with city officials in Kingman the first week of September 2012 to gather additional information about entitlements, water rights, and mineral rights. As a result, the Trustee/Manager and Commerce have been working with several interested parties.

On August 8, 2012, the Trustee/Manager filed an objection to the proofs of claim filed by William Davidson, a member of the Board of Directors of CAREIC. Mr. Davidson filed a claim in CAREIC and CAS relating to a purported loan secured by CAREIC and Smyrna related property. In September 2012, the Trustee/Manager filed objections to claims filed by Robert Geringer (approximately \$8.5 million) ("Geringer"), David Demerest ("Demerest"), and an Omnibus objection involving 19 other claims. A scheduling order and subsequent scheduling orders regarding the Geringer claims were established to allow for discovery and a two day trial on February 28, 2012 and March 1, 2012. The Trustee reached a stipulated claim amount on the Demerest claim and a hearing was held on October 30, 2012 regarding the Omnibus objection involving the other 19 other claims. Orders regarding these claims have been entered and are currently included on the Trustee's website. Discovery for the Geringer claims continued in November and December 2012. On December 31, 2012, the Court approved a motion to extend the deadline to file intercompany claims until to April 1, 2013.

The Trustee/Manager and his professionals have spent a significant amount of time reviewing and analyzing the multi-million dollar claims totaling over \$8.2 million 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 settle the matter. In October 2012, the Trustee/Manager, Insurance Carrier, Longview, and other Individual Defendants reached a global settlement to resolve the matter. The parties have finalized a formal settlement agreement which has been submitted to the Bankruptcy Court for approval. The material terms of the settlement include a \$1 million cash payment to Longview from a Private Company Management Liability insurance policy, an allowed unsecured claim in the various Debtors totaling \$385,000, Longview's acceptance of the Trustee's proposed plan of liquidation, and dismissal of litigation currently pending in various jurisdictions. The agreed upon allowed unsecured claim of Longview was allocated to the individual bankruptcy estates as follows: \$290,896.49 (CAREIC), \$2,337.87 (CAK), \$6,424.11 (CAS), \$10,095.19 (CASDF), \$60,341.85 (CAOPI), and \$15,086.49 (CAOPII). The hearing to approve the settlement was held and approved on December 10, 2012 and no appeals were filed.

DEBTOR: Castle Arch Real Estate Investment Company, LLC

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Form 2-G – Page 3

NARRATIVE

For Period Ending: 11/30/12

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 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. On November 26, 2012, several objections were filed with the Court regarding the adequacy of the Disclosure Statement by Hunt Law Corporation, Prince Yeates, Robert Geringer, Certain Investors, and the CAREIC Creditors Committee. A hearing on the adequacy of the Disclosure Statement was originally scheduled for December 3, 2012; however, as a result of the objections filed, this hearing was changed to a preliminary hearing with the final hearing on the Disclosure Statement to occur on January 31, 2013. As a result of the responses by several parties, the Trustee/Manager has determined in his business to address the substantive consolidation issues prior to finalizing the amended proposed disclosure statement and seeking confirmation of his proposed plan. A motion for substantive consolidation of CAREIC, CAOP Managers, CAK, CAS, CASDF, and a Castle Arch Star Valley, LLC was filed on December 28, 2012 by the Trustee/Manager. The hearing for the substantive consolidation motion is scheduled for January 31, 2013 and the final hearing for the Proposed Disclosure Statement will be continued pending the substantive consolidation hearing.

The Trustee 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 Trustee. The Trustee 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. Additionally, the Trustee/Manager has filed numerous 2004 examinations/document requests to third parties seeking additional documentation and information.

On October 17, 2012, Prince Yeates, former counsel to CAREIC filed a fee application with the Bankruptcy Court for fees and costs of \$243,951. The Trustee and Creditors' Committee have objected to these fees and costs and have been negotiating with Prince Yeates for certain fee reductions. On December 12, 2012, Prince Yeates filed a motion seeking to have the Trustee removed or alternatively convert the CAREIC case to Chapter 7. The Trustee/Manager and Creditors' Committee have reached a settlement with Prince Yeates in late December 2012 and currently drafting a motion seeking Court approval.

DEBTOR: Castle Arch Real Estate Investment Company, LLC

CASE NO: 11-35082

Form 2-G – Page 4

NARRATIVE

For Period Ending: 11/30/12

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 December 2, 2012, certain investors filed a motion for the appointment of a Trustee for CASDF. The motion has not been noticed for hearing and the Trustee/Manager has met with counsel to these investors and provided additional information in an effort to resolve the various issues raised.

On December 14, 2012, Trent Waddoups, former Receiver of the Debtors, filed a motion for discharge and payment of fees and costs. The hearing relating to this motion is set for January 31, 2013.

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.

12:47 PM
12/18/12

Castle Arch Real Estate Investment Company
A/R Aging Summary
As of November 30, 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>
Accelerated Capital Group - Customer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CAK	7,000.00	7,000.00	0.00	7,000.00	14,000.00	0.00	35,000.00
CAOPM	2,000.00	2,000.00	0.00	2,000.00	4,000.00	0.00	10,000.00
CASDF	4,000.00	4,000.00	0.00	4,000.00	8,000.00	0.00	20,000.00
Castle Arch Lease-to-Own Income Fund, LLC	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Castle Arch Opportunity Fund I	0.00	0.00	0.00	0.00	0.00	198,620.35	198,620.35
Castle Arch Opportunity Fund II	0.00	0.00	0.00	0.00	0.00	75,204.29	75,204.29
Child, Van Wagoner & Bradshaw PLLC	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Howell, Jad - Customer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HSBC Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Koidin, Mark - CUSTOMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Millstream Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paychex - CUSTOMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Securities Institute	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	13,000.00	13,000.00	0.00	13,000.00	26,000.00	273,824.64	338,824.64

12:52 PM

12/18/12

**Castle Arch Real Estate Investment Company
A/P Aging Summary
As of November 30, 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>
BRG	19,300.00	0.00	34,000.00	0.00	36,900.00	58,500.00	148,700.00
Dorsey Whitney LLP	70,160.18	-1,222.85	148,086.00	0.00	168,943.15	103,760.30	489,726.78
Jones Waldo	21,118.38	0.00	1,920.00	0.00	11,402.33	111,763.39	146,204.10
Prince, Yeates & Geldzahler	0.00	0.00	14,721.70	0.00	0.00	229,229.43	243,951.13
Ray Strong - Trustee	49,500.00	0.00	16,200.00	0.00	53,400.00	50,850.00	169,950.00
TOTAL	160,078.56	-1,222.85	214,927.70	0.00	270,645.48	554,103.12	1,198,532.01

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12/18/12

Castle Arch Real Estate Investment Company
A/P Aging Summary
As of November 30, 2012

	Current	1 - 30	31 - 60	61 - 90	91 - 120	> 120	TOTAL
AT&T	0.00	0.00	0.00	0.00	0.00	326.11	326.11
California Franchise Tax Board	0.00	0.00	0.00	0.00	0.00	-40.00	-40.00
Chisholm, Bierwolf, Nilson & Morrill	0.00	0.00	0.00	0.00	0.00	30,980.71	30,980.71
Cohne Rappaport & Segal	0.00	0.00	0.00	0.00	0.00	10,005.70	10,005.70
Colonial Stock Transfer	0.00	0.00	0.00	0.00	0.00	1,691.67	1,691.67
CT Corporation	0.00	0.00	0.00	0.00	0.00	348.00	348.00
Daily Brand LLC	0.00	0.00	0.00	0.00	0.00	19,730.60	19,730.60
Entrust Arizona, LLC	0.00	0.00	0.00	0.00	0.00	700.00	700.00
Fact Finders Information Services LLC	0.00	0.00	0.00	0.00	0.00	487.50	487.50
Fortius Financial Advisors	0.00	0.00	0.00	0.00	0.00	3,300.00	3,300.00
Global Security	0.00	0.00	0.00	0.00	0.00	83.85	83.85
Greene, Jeffrey PC	0.00	0.00	0.00	0.00	0.00	6,434.00	6,434.00
Hunt, David S. P.C.	0.00	0.00	0.00	0.00	0.00	285,000.00	285,000.00
Illinois Department of Employment Securit	0.00	0.00	0.00	0.00	0.00	108.07	108.07
Judge Building LLC	0.00	0.00	0.00	0.00	0.00	-0.70	-0.70
Kaysville City	0.00	0.00	0.00	0.00	0.00	-0.69	-0.69
Lincoln County Treasurer	0.00	0.00	0.00	0.00	0.00	1,766.38	1,766.38
Michelle Turpin P.C.	0.00	0.00	0.00	0.00	0.00	2,440.77	2,440.77
Mohave County Treasurer	0.00	0.00	0.00	0.00	0.00	15,299.62	15,299.62
Mohave Engineering Associates, Inc.	0.00	0.00	0.00	0.00	0.00	59,961.08	59,961.08
NetChemistry	0.00	0.00	0.00	0.00	0.00	77,500.00	77,500.00
Olson Communications, Inc.	0.00	0.00	0.00	0.00	0.00	500.50	500.50
Parsons, Behle & Latimer	0.00	0.00	0.00	0.00	0.00	48,454.30	48,454.30
RFC Properties, LLC	0.00	0.00	0.00	0.00	0.00	9,164.00	9,164.00
Ryan, Inc	0.00	0.00	0.00	0.00	0.00	14,652.03	14,652.03
Sierra Construction & Excavation, INC.	0.00	0.00	0.00	0.00	0.00	780.00	780.00
Snell and Wilmer	0.00	0.00	0.00	0.00	0.00	59,228.17	59,228.17
SouthWest Traffic Engineering	0.00	0.00	0.00	0.00	0.00	9,255.30	9,255.30
Stevens & Lee	0.00	0.00	0.00	0.00	0.00	19,628.24	19,628.24
The Dot Printer	0.00	0.00	0.00	0.00	0.00	3,029.73	3,029.73
Tooele County Treasurer	0.00	0.00	0.00	0.00	0.00	89,404.43	89,404.43
Town of Thayne	0.00	0.00	0.00	0.00	0.00	148.00	148.00
TOTAL	0.00	0.00	0.00	0.00	0.00	770,367.37	770,367.37

1:05 PM
12/18/12
Accrual Basis

Castle Arch Real Estate Investment Company
Balance Sheet
As of December 18, 2012

	Dec 18, 12
ASSETS	
Current Assets	
Checking/Savings	
10003 · Pref Bank-Trustee- [REDACTED]	94,889.71
10004 · Pref Bank-PR-Trustee- [REDACTED]	126.01
Total Checking/Savings	<u>95,015.72</u>
Accounts Receivable	
13000 · Accounts Receivable	338,824.64
Total Accounts Receivable	<u>338,824.64</u>
Other Current Assets	
13602 · Interest Recvbl- Valley Gardens	169,347.95
15010 · Loan Receivable - Valley Garden	255,000.00
16000 · Prepaid Expense	312,500.00
22501 · I/C Post Trustee - CAK	469.04
22510 · I/C Interest Accrual	3.91
Total Other Current Assets	<u>737,320.90</u>
Total Current Assets	<u>1,171,161.26</u>
Fixed Assets	
17000 · Property/Equipment	16,381.24
17010 · Accumulated Depreciation	-9,539.16
Total Fixed Assets	<u>6,842.08</u>
Other Assets	
17100 · Properties Held for Investment	
17104 · Star Valley, WY	
17105 · Phase A hard costs	400,000.00
Total 17104 · Star Valley, WY	<u>400,000.00</u>
Total 17100 · Properties Held for Investment	400,000.00
17700 · Refundable Deposits	1,500.00
18100 · Investment in CA Kingman, LLC	6,000.00
18101 · Investment in CA Symrna, LLC	6,000.00
Total Other Assets	<u>413,500.00</u>
TOTAL ASSETS	<u>1,591,503.34</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	770,367.37
20001 · Prof. Fees Payable - BK Related	1,198,532.01
Total Accounts Payable	<u>1,968,899.38</u>
Other Current Liabilities	
23200 · Interest Payable - Bill Grundy	60,623.01
23400 · Payroll Liabilities	
Accrued Payroll	137,048.56
Deferred Compensation	1,063,791.30
Total 23400 · Payroll Liabilities	<u>1,200,839.86</u>
25050 · Intercompany Notes	
23508 · CAOPM	-100.00
25051 · CAOPI	-128,073.08
25052 · CAOPII	-108,750.17
25054 · CASDF	-909,542.42
25057 · CAK	-2,326,772.40
25058 · CAS	-2,741,185.83
25200 · Accrued Interest	1,918.09
Total 25050 · Intercompany Notes	<u>-6,212,505.81</u>

1:05 PM
12/18/12
Accrual Basis

Castle Arch Real Estate Investment Company
Balance Sheet
As of December 18, 2012

	Dec 18, 12
Total Other Current Liabilities	-4,951,042.94
Total Current Liabilities	-2,982,143.56
Long Term Liabilities	
23600 · Preferred Dividend Payable	16,373,064.53
24000 · BOD Bonus payable	660,000.00
25000 · Notes Payable	
25003 · Star Valley, WY	350,773.97
25005 · Star Valley, WY - Bill Grundy	230,000.00
Total 25000 · Notes Payable	580,773.97
Total Long Term Liabilities	17,613,838.50
Total Liabilities	14,631,694.94
Equity	
30000 · Preferred Units Round A	1,000,000.00
30001 · Preferred Units Round B	2,000,000.00
30002 · Preferred Units Round C	3,300,000.00
30003 · Preferred Units Round D	24,931,403.00
30004 · Preferred Units Round E	7,196,399.00
30100 · Common Units	
30101 · CU Board	4,700,250.00
30102 · CU Consulting	1,383,013.84
30103 · CU Referral Fees	869,956.90
30104 · CU Founders	16,000.00
Total 30100 · Common Units	6,969,220.74
39000 · Retained Earnings	-38,401,142.64
39100 · Equity Adjustments	
39101 · Preferred Dividends Accrued	-16,373,064.52
39102 · Preferred Dividends Paid	-13,830.15
39103 · CU Referral Fees	-869,956.90
39104 · Reinvested Referral Fees	-55,470.00
39105 · Offering Costs	-370,341.00
39106 · Cash Referral Fees	-939,251.37
39107 · Cash Commissions	-335,729.06
Total 39100 · Equity Adjustments	-18,957,643.00
Net Income	-1,078,428.70
Total Equity	-13,040,191.60
TOTAL LIABILITIES & EQUITY	1,591,503.34

1:06 PM
 12/18/12
 Accrual Basis

Castle Arch Real Estate Investment Company
Profit & Loss
 November 2012

	<u>Nov 12</u>
Ordinary Income/Expense	
Income	
42000 · Management Fee Income	46,000.00
Total Income	<u>46,000.00</u>
Gross Profit	46,000.00
Expense	
Administrative/Other Unit	
Office Expenses	358.55
Office Supplies	30.86
60350 · Telephone/email charges	246.91
Total Administrative/Other Unit	<u>636.32</u>
Executive Unit	
Executive Compensation	
Payroll Taxes	573.75
W2	7,500.00
Total Executive Compensation	<u>8,073.75</u>
Total Executive Unit	<u>8,073.75</u>
Total Expense	<u>8,710.07</u>
Net Ordinary Income	37,289.93
Other Income/Expense	
Other Income	
Interest Income	1.54
Total Other Income	<u>1.54</u>
Other Expense	
65000 · Trustee Fees	24,500.00
65010 · Trustee Firm Fee	13,825.00
65100 · DIP Creditor Committee - Legal	12,608.14
65500 · Trustee Legal Fees	70,160.18
Total Other Expense	<u>121,093.32</u>
Net Other Income	<u>-121,091.78</u>
Net Income	<u><u>-83,801.85</u></u>

1:07 PM
12/18/12

Castle Arch Real Estate Investment Company
Reconciliation Detail
10004 · Pref Bank-PR-Trustee-██████████, Period Ending 11/30/2012

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						126.01
Cleared Transactions						
Checks and Payments - 1 item						
Check	11/30/2012	EFT	Paychex	X	-8,323.75	-8,323.75
Total Checks and Payments					-8,323.75	-8,323.75
Deposits and Credits - 1 item						
Check	11/28/2012	EFT	Preferred Bank	X	8,323.75	8,323.75
Total Deposits and Credits					8,323.75	8,323.75
Total Cleared Transactions					0.00	0.00
Cleared Balance					0.00	126.01
Register Balance as of 11/30/2012					0.00	126.01
Ending Balance					0.00	126.01

1:07 PM
12/18/12

Castle Arch Real Estate Investment Company
Reconciliation Detail
10003 · Pref Bank-Trustee-██████████, Period Ending 11/30/2012

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						73,159.60
Cleared Transactions						
Checks and Payments - 7 items						
Check	10/23/2012	346	United Healthcare	X	-2,210.18	-2,210.18
Check	10/23/2012	345	Travelers	X	-224.64	-2,434.82
Check	11/13/2012	347	CenturyLink	X	-246.91	-2,681.73
Check	11/13/2012	350	Strong Connexions	X	-125.00	-2,806.73
Check	11/13/2012	349	Paychex	X	-108.55	-2,915.28
Check	11/13/2012	348	Martinsen, Glen	X	-30.86	-2,946.14
Check	11/28/2012	EFT	Preferred Bank	X	-8,323.75	-11,269.89
Total Checks and Payments					-11,269.89	-11,269.89
Deposits and Credits - 1 item						
Deposit	11/15/2012			X	33,000.00	33,000.00
Total Deposits and Credits					33,000.00	33,000.00
Total Cleared Transactions					21,730.11	21,730.11
Cleared Balance					21,730.11	94,889.71
Register Balance as of 11/30/2012					21,730.11	94,889.71
Ending Balance					21,730.11	94,889.71



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ACCOUNT:

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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 6

=====

LOS ANGELES - HEADQUARTERS TELEPHONE:213-891-1188
601 S. FIGUEROA ST. 29TH FLOOR
LOS ANGELES, CA 90017

=====

eSTATEMENTS ARE HERE - LOG ON PBnet PERSONAL ONLINE BANKING TO ENROLL
Attention Bankruptcy Trustees:

For account information log into PBnet Business Online Banking at
www.preferredbank.com or call BK Customer Service at 213-891-1188

Ronnia Ching @ ext. 1130 or Matt Overin @ ext. 1107

The FDIC Insurance on unlimited non-interest bearing demand deposits may
expire on December 31,2012. Unless Congress takes action before the
expiration date. FDIC insurance on non-interest bearing demand deposit
account may revert back to \$250,000.00

=====

BANKRUPTCY CHECKING ACCOUNT [REDACTED]

=====

		LAST STATEMENT 10/31/12	73,159.60
AVG AVAILABLE BALANCE	87,445.94	3 CREDITS	33,000.00
AVERAGE BALANCE	87,445.94	7 DEBITS	11,269.89
		THIS STATEMENT 11/30/12	94,889.71

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

DESCRIPTION	DATE	AMOUNT
Incoming Wire Transfer CASTLE ARCH SMYRNA LLC 7718992	11/15	7,000.00
Incoming Wire Transfer CASTLE ARCH OPPTY PARTNERS I 7718993	11/15	13,000.00
Incoming Wire Transfer CASTLE ARCH OPPTY PARTNERS II 7718996	11/15	13,000.00

----- CHECKS -----

CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT
345 11/08 224.64	347 11/21 246.91	349 11/21 108.55
346 11/02 2,210.18	348 11/23 30.86	350 11/20 125.00

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



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ACCOUNT:

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11/30/2012

11-35082

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BANKRUPTCY CHECKING ACCOUNT

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

DESCRIPTION	DATE	AMOUNT
TRANSFER TO #1524658	11/28	8,323.75

- - - 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
11/02	70,949.42	11/20	103,599.78	11/28	94,889.71
11/08	70,724.78	11/21	103,244.32		
11/15	103,724.78	11/23	103,213.46		

- END OF STATEMENT -



029 00001 00
ACCOUNT:



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11/30/2012

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

=====

LOS ANGELES - HEADQUARTERS TELEPHONE:213-891-1188
601 S. FIGUEROA ST. 29TH FLOOR
LOS ANGELES, CA 90017

=====

eSTATEMENTS ARE HERE - LOG ON PBnet PERSONAL ONLINE BANKING TO ENROLL
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The FDIC Insurance on unlimited non-interest bearing demand deposits may
expire on December 31,2012. Unless Congress takes action before the
expiration date. FDIC insurance on non-interest bearing demand deposit
account may revert back to \$250,000.00

=====

BANKRUPTCY CHECKING ACCOUNT [REDACTED]

=====

		LAST STATEMENT 10/31/12	126.01
AVG AVAILABLE BALANCE	488.64	1 CREDITS	8,323.75
AVERAGE BALANCE	488.64	2 DEBITS	8,323.75
		THIS STATEMENT 11/30/12	126.01

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

DESCRIPTION	DATE	AMOUNT
TRANSFER FROM #1523333	11/28	8,323.75

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

DESCRIPTION	DATE	AMOUNT
PAYCHEX INC. PAYROLL 47663700007465X	11/29	5,768.54
PAYCHEX TPS TAXES 47665600002222X	11/30	2,555.21

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



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ACCOUNT:

PAGE: 2
11/30/2012

11-35082

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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
11/28	8,449.76	11/29	2,681.22	11/30	126.01

- END OF STATEMENT -