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Attorneys for D. Ray Strong, Chapter 11 Trustee for Castle Arch Real Estate Investment Company, LLC and Substantively Consolidated Debtors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH**

In re:

CASTLE ARCH REAL ESTATE INVESTMENT COMPANY, LLC; CAOP MANAGERS, LLC; CASTLE ARCH KINGMAN, LLC; CASTLE ARCH SECURED DEVELOPMENT FUND, LLC; CASTLE ARCH SMYRNA, LLC; CASTLE ARCH STAR VALLEY, LLC; *and*

CASTLE ARCH OPPORTUNITY PARTNERS I, LLC; CASTLE ARCH OPPORTUNITY PARTNERS II, LLC,

Debtors.

Case Nos. 11-35082, 11-35237, 11-35243, 11-35242 and 11-35246
(Substantively Consolidated)

Case Nos. 11-35241 and 11-35240
(Jointly Administered)

(Chapter 11)
The Honorable Joel T. Marker

- Affects All Debtors
- Affects Only the Substantively Consolidated Debtors
- Affects only Castle Arch Opportunity Partners I, LLC
- Affects only Castle Arch Opportunity Partners II, LLC

DECLARATION OF BALLOT TABULATOR REGARDING SOLICITATION AND TABULATION OF VOTES IN CONNECTION WITH FIRST AMENDED CHAPTER 11 TRUSTEE'S PLAN OF LIQUIDATION DATED FEBRUARY 25, 2013

I, Nathan S. Seim, state as follows:

1. I am over eighteen years of age, of sound mind and competent.

2. I believe that the statements contained herein are true to the best of my knowledge, information and belief. Unless otherwise defined herein, all capitalized terms used but not defined in this Declaration have the meanings ascribed to such terms in the *First Amended Chapter 11 Trustee's Plan of Liquidation Dated February 25, 2013* [Docket No. 656] (the "Plan").

3. I am an attorney at Dorsey & Whitney LLP ("Dorsey"), which acts as counsel to D. Ray Strong, the Chapter 11 trustee for the Legacy Debtors (the "Trustee"), and in that capacity as Manager of the CAOP Debtors.

4. Dorsey was appointed as the noticing agent and ballot tabulator for the Plan pursuant to the Court's *Order Granting Chapter 11 Trustee's Motion for Entry of an Order (I) Approving Disclosure Statement for Chapter 11 Trustee's Plan of Liquidation; (II) Approving Solicitation Procedures, Including Form of Ballot and Manner of Notice; and (III) Fixing the Confirmation Hearing and the Deadline for Filing Objections to the Confirmation of the Plan* [Docket No. 652] (the "Solicitation Procedures Order").

5. I make this Declaration to disclose the actions taken by Dorsey in its capacity as noticing agent and ballot tabulator relating to the Plan.

6. Dorsey complied with the Solicitation Procedures Order, including all deadlines contained therein, for soliciting and tabulating votes to accept or reject the Plan. Pursuant to the Solicitation Procedures Order, only ballots *received* by Dorsey or the Trustee by May 13, 2013 were counted towards acceptance or rejection of the Plan.

7. Dorsey and the Trustee's accountants created a database listing the names and most recent known addresses of holders of Claims against and Equity Interests in each of the Debtors, as well as all other parties entitled to notice with respect to the confirmation of the Plan. The information in the database was used to serve the Court-approved Plan solicitation package¹ to all parties holding Allowed Claims or Allowed Equity Interests in Classes A4–A5, B4–B5 and C4–C5 (collectively, the "Voting Claims or Interests"), and to serve all parties in interest with the "Confirmation Hearing Notice" (defined in the Solicitation Procedures Order).

8. On or prior to April 12, 2013, holders of Voting Claims or Interests were served with pre-printed ballots in the form approved by the Court in the Solicitation Procedures Order, listing such holder's name, ballot number, voting Class, and the amount of such holder's voting Claim or Interest.²

9. Pursuant to the Court-approved voting instructions, holders of Voting Claims or Interests were instructed that if they disagreed with the pre-printed voting Class or amount of the voting Claim or Interest stated on their ballot, they must file with the Court, on or before April 29, 2013, a motion pursuant to Federal Rule of Bankruptcy Procedure 3018(a) seeking temporary allowance of such Claim or Interest in a different amount or in a different voting Class for purposes of voting to accept or reject the Plan (a "Rule 3018(a) Motion"). No holder of a Voting Claim or Interest filed a Rule 3018(a) Motion, and as such, all timely returned ballots were associated with the Class and voting amount listed on the respective ballots.

¹ Pursuant to the Solicitation Procedures Order, the Plan solicitation package consisted of (a) the approved Disclosure Statement, including the Plan; (b) an applicable, approved voting ballot with voting instructions; (c) the Trustee's approved solicitation letter applicable to the voting Class in question; and (d) the approved Confirmation Hearing Notice.

² See Certificate of Service [Docket No. 676].

10. Additionally, the Confirmation Hearing Notice was served on all parties in interest on or before April 12, 2013,³ informing such parties that if they did not receive a voting ballot and they believed they were a holder of a Voting Claim or Interest, they were required to file a Rule 3018(a) Motion by April 29, 2013. No party filed a Rule 3018(a) Motion seeking to classify an alleged Claim or Equity Interest as a Voting Claim or Interest.

11. Below is a summary of the impaired Classes entitled to vote on the Plan and the tabulation of votes for each such Class:

| Impaired Class Entitled to Vote | Votes Counted | | Dollar Amount | |
|-------------------------------------------------------------|---------------|------------|---------------------------|-----------------------|
| | Accept | Reject | Accept | Reject |
| Class A4 – Legacy Debtors General Unsecured Claims | 10 100% | 0 0.00% | \$2,761,776.31 100% | \$0.00 0.00% |
| Class B4 – CAOP I General Unsecured Claims | 1 100% | 0 0.00% | \$60,341.85 100% | \$0.00 0.00% |
| Class C4 – CAOP II General Unsecured Claims | 1 100% | 0 0.00% | \$15,086.49 100% | \$0.00 0.00% |
| Class A5 – Legacy Debtors Preferred Equity Interests | 301 97.73% | 7 2.27% | \$20,721,129.10 97.98% | \$426,973.00 2.02% |
| Class B5 – CAOP I Preferred Equity Interests | 63 100% | 0 0.00% | \$4,800,377.00 100% | \$0.00 0.00% |

³ *Id.*

| | | | | |
|------------------------------------------------------------------|------|-------|----------------|--------|
| Class C5 – CAOP II Preferred Equity Interests | 40 | 0 | \$2,823,900.00 | \$0.00 |
| | 100% | 0.00% | 100% | 0.00% |

12. All original ballots received by Dorsey are located at Dorsey’s Salt Lake City office, 136 South Main Street, Suite 1000, Salt Lake City, Utah 84101. The ballots may be inspected by any party in interest upon reasonable request.

I declare under penalty of perjury that the forgoing is true and correct to the best of my knowledge, information and belief.

DATED this 16th day of May, 2013.

DORSEY & WHITNEY LLP

/s/ Nathan S. Seim

CERTIFICATE OF SERVICE – BY NOTICE OF ELECTRONIC FILING (CM/ECF)

I hereby certify that on May 16, 2013, I electronically filed the foregoing **DECLARATION OF BALLOT TABULATOR REGARDING SOLICITATION AND TABULATION OF VOTES IN CONNECTION WITH FIRST AMENDED CHAPTER 11 TRUSTEE'S PLAN OF LIQUIDATION DATED FEBRUARY 25, 2013** with the United States Bankruptcy Court for the District of Utah by using the CM/ECF system. I further certify that the parties of record in this case, as identified below, are registered CM/ECF users and will be served through the CM/ECF system.

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/s/ Nathan S. Seim