

Peggy Hunt (6060)
Nathan S. Seim (12654)
DORSEY & WHITNEY LLP
136 South Main Street, Suite 1000
Salt Lake City, UT 84101-1685
Telephone: (801) 933-7360
Email: hunt.peggy@dorsey.com
seim.nathan@dorsey.com

Attorneys for D. Ray Strong, Liquidating Trustee of the Consolidated Legacy Debtors Liquidating Trust

**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

**NOTICE OF STIPULATION REGARDING AMOUNT OF ALLOWED CLAIM
ASSERTED BY RYAN INC. AGAINST CASTLE ARCH REAL ESTATE
INVESTMENT COMPANY, LLC**

Ryan, Inc., fka Ryan & Company ("Ryan") and D. Ray Strong, the post-confirmation estate representative in the above-captioned case and the duly appointed Liquidating Trustee (the

“Trustee”) of the Consolidated Legacy Debtors Liquidating Trust (the “Legacy Trust”), hereby provide notice of the stipulation reached between the parties relating to Ryan’s Proof of Claim against Castle Arch Real Estate Investment Company, LLC (“CAREIC”). In support hereof, the parties state as follows:

JURISDICTION AND VENUE

1. On October 17, 2011, CAREIC filed a petition for relief under Chapter 11 of the Bankruptcy Code, and on October 20, 2011, CAOP Managers, LLC, Castle Arch Kingman, LLC (“CAK”), Castle Arch Secured Development Fund, LLC (“CASDF”), Castle Arch Smyrna, LLC (“CAS”), Castle Arch Opportunity Partners I, LLC and Castle Arch Opportunity Partners II, LLC (collectively with CAREIC, the “Debtors”) also filed petitions seeking relief under Chapter 11 of the Bankruptcy Code.

2. The Court has subject matter jurisdiction of this proceeding pursuant to 28 U.S.C. §§ 157 and 1334, and Article X of the Confirmed Plan as defined and discussed below.

3. On June 7, 2013, the Bankruptcy Court entered an *Order Confirming Chapter 11 Trustee’s First Amended Plan of Liquidation Dated February 25, 2013 as Modified* [Docket No. 705] (the “Confirmation Order”), thus confirming the *Second Amended Chapter 11 Trustee’s Plan of Liquidation Dated February 25, 2013* [Docket No. 701] (the “Confirmed Plan”), pursuant to which the Court retains jurisdiction over this matter, which arises under the Bankruptcy Code and arises in and is related to the above-captioned bankruptcy cases.

4. Venue is proper in this Court pursuant to 28 U.S.C. § 1409.

BACKGROUND

General

5. On May 3, 2012, the Court entered an Order appointing the Trustee as the Chapter 11 Trustee for CAREIC [Docket No. 215], and in that capacity he managed each of the other Debtors.

6. On February 8, 2013, the Court entered an Order substantively consolidating CAOP Managers, CAK, CASDF, CAS and non-debtor Castle Arch Star Valley, LLC with CAREIC [Docket No. 590], and these entities, as consolidated, have hereinafter been referred to as the "Consolidated Legacy Debtors."

7. On June 7, 2013, the Court entered the Confirmation Order which, among other things: (a) designated the Trustee as the post-confirmation estate representative for the Consolidated Legacy Debtors; (b) approved the Liquidating Trust Agreement for the Legacy Trust (the "Legacy Trust Agreement"); and (c) appointed the Trustee as the Liquidating Trustee for the Legacy Trust.

Ryan's Proof of Claim

8. On February 21, 2012, Ryan filed an amended Proof of Claim against CAREIC, designated as Claim No. 37-2 on CAREIC's claims docket (the "Ryan POC"), asserting a general unsecured claim in the amount of \$21,518.57.

9. The Trustee disputed the amount of the Ryan POC, and the parties thereafter entered into good faith and arms'-length negotiations regarding the allowance and amount of the Ryan POC.

STIPULATION

10. The Trustee and Ryan agree as follows as to the Ryan POC:

(a) Ryan will have a Class A4 "Allowed General Unsecured Claim," as that term is defined in the Confirmed Plan, against the Consolidated Legacy Debtors in the total amount of \$19,034.89 (the "Stipulated Allowed Claim");

(b) The Ryan POC is amended as set forth herein;

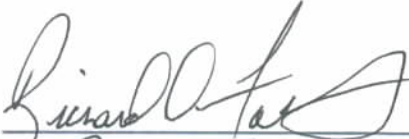
(c) The Stipulated Allowed Claim will be an Allowed General Unsecured Claim and will be treated as such under the terms of the Confirmed Plan and Legacy Trust Agreement;

(d) No interest will accrue on the Stipulated Allowed Claim; and

(e) To the extent Ryan asserts a claim against any of the other Debtors, or to the extent Ryan asserts a claim against the Consolidated Legacy Debtors in an amount greater than the Stipulated Allowed Claim, such claim is a Disallowed Claim, as that term is defined in the Confirmed Plan.

DATED this 27 day of January, 2014 ^{2014 eot}

RYAN, LLC


By: Richard Fosbue
Its: Principal

D. RAY STRONG, as Post-Confirmation Estate Representative of the Consolidated Legacy Debtors and the Liquidating Trustee of the Consolidated Legacy Debtors Liquidating Trust
