

Peggy Hunt (6060)
Milo Steven Marsden (4879)
Nathan S. Seim (12654)
DORSEY & WHITNEY LLP
136 South Main Street, Suite 1000
Salt Lake City, UT 84101
Telephone: (801) 933-7360
Email: hunt.peggy@dorsey.com
marsden.steven@dorsey.com
seim.nathan@dorsey.com

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

Gregory J. Adams (6159)
McKAY, BURTON & THURMAN
170 South Main St., Ste. 800
Salt Lake City, UT 84101
Telephone: (801) 521-4135
Email: gadams@mbt-law.com
*Attorneys for D. Ray Strong, Liquidating
Trustee of the Castle Arch Opportunity
Partners I, LLC 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 SALE AND TRUSTEE'S MOTION SEEKING (1) APPROVAL OF SALE OF
PROPERTY, INCLUDING AND RELATING TO REAL PROPERTY LOCATED IN
RUTHERFORD COUNTY, TENNESSEE, TO ROBERT GERINGER OUT OF THE ORDINARY
COURSE OF BUSINESS, FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND
INTERESTS, AND SUBJECT TO HIGHER AND BETTER OFFERS, PURSUANT TO 11 U.S.C.
§ 363(b) AND (f) AND FEDERAL RULES OF BANKRUPTCY PROCEDURE 2002 AND 6004; (2)
AUTHORIZATION TO PAY FEE TO REAL ESTATE BROKER; (3) AUTHORIZATION TO
PAY TAXES AND ORDINARY SALE COSTS; AND (4) RELATED RELIEF
AND NOTICE OF OPPORTUNITY FOR HEARING**

Proposed Bidding Deadline: July 22, 2015 at 2:00 p.m. (Mountain Time)

Objection Deadline: July 23, 2015 (Mountain Time)

Hearing Date: July 28, 2015 at 2:00 p.m. (Mountain Time)

PLEASE TAKE NOTICE that D. Ray Strong (the “Trustee”), as the Liquidating Trustee of the Consolidated Legacy Debtors Liquidating Trust (the “Legacy Trust”) and the Castle Arch Opportunity Partners I, LLC Liquidating Trust (together with the Legacy Trust, the “Trusts”), and the post-confirmation estate representative for Castle Arch Opportunity Partners I, LLC and the consolidated bankruptcy estates of Castle Arch Real Estate Investment Company, LLC, CAOP Managers, LLC, Castle Arch Kingman, LLC, Castle Arch Smyrna, LLC, Castle Arch Secured Development Fund, LLC and Castle Arch Star Valley, LLC, has entered into a *Land Purchase Agreement* (the “Land Purchase Agreement”) for the sale of certain real property located in Rutherford County, Tennessee, including interests related to such land (collectively, the “Smyrna Property”) to Robert D. Geringer (“Purchaser”) or to a person making a higher and better offer. A full description of the Smyrna Property is set forth in the Land Purchase Agreement. **HIGHER AND BETTER OFFERS FOR THE SMYRNA PROPERTY ARE WELCOME PURSUANT TO THE INSTRUCTIONS SET FORTH IN THIS NOTICE.**

PLEASE TAKE FURTHER NOTICE that in connection therewith, the Trustee has filed with the United States Bankruptcy Court for the District of Utah (the “Court”) the *Trustee’s Motion Seeking (1) Approval of Sale of Property, Including and Relating to Real Property Located in Rutherford County, Tennessee, to Robert Geringer out of the Ordinary Course of Business, Free and Clear of Liens, Claims, Encumbrances And Interests, and Subject to Higher and Better Offers, Pursuant to 11 U.S.C. § 363(b) and (f) and Federal Rules of Bankruptcy Procedure 2002 and 6004; (2) Authorization to Pay Fee to Real Estate Broker; (3) Authorization to Pay Taxes and Ordinary Sale Costs; and (4) Related Relief* (the “Motion”), which seeks Court approval (the “Sale Order”) of the Land Purchase Agreement and authorization from the Court to

sell the Smyrna Property to the Purchaser as set forth in the Land Purchase Agreement, or to any higher and better offeror. The Trustee is also seeking (a) approval to pay fees to a real estate broker; and (b) approval to pay taxes and ordinary costs of sale from the sale proceeds.

A copy of the Motion, which includes a copy of the Land Purchase Agreement as an exhibit, will be served electronically via the Court's CM/ECF system on the Office of the United States Trustee and on all parties who receive electronic service in the above-captioned case no later than July 6, 2015. A copy of the Motion will also be posted on the Trustee's website at www.castlearchtrustee.com. You should refer to the Land Purchase Agreement for all terms of the proposed sale. As part of the Land Purchase Agreement, upon the occurrence of certain events, the Trusts and the Purchaser will provide each other mutual general releases of claims. *If you have not received a copy of the Motion and Land Purchase Agreement and you would like one, you may obtain a copy by requesting it from the undersigned counsel or going to the Trustee's website.*

YOUR RIGHTS MAY BE AFFECTED

PLEASE TAKE FURTHER NOTICE that you should carefully read this Notice, as well as the Motion and Land Purchase Agreement, and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one.

HIGHER AND BETTER OFFERS ARE WELCOME

PLEASE TAKE FURTHER NOTICE that the proposed sale of the Smyrna Property is subject to higher and better offers. The purchase price for the Smyrna Property offered by the Purchaser is \$2,225,000.00, which is not subject to any survey of the Smyrna Property.

Concurrently herewith, the Trustee has filed the *Motion of the Liquidating Trustee for Order Approving Bidding Procedures and Granting Bidding Protections* (the “Bidding Motion”) [Docket. No. 1095], which contains proposed bidding procedures (the “Bidding Procedures”) that govern, among other things, the procedures for submitting a “Competing Bid” for the purchase of the Smyrna Property. A copy of the Bidding Motion containing the proposed Bidding Procedures will also be posted on the Trustee’s website at www.castlearchtrustee.com. *If you have not received a copy of the Bidding Motion and you would like one, you may obtain a copy by requesting it from the undersigned counsel or going to the Trustee’s website.* If the Court approves the Bidding Motion, to qualify as a “Competing Bid,” a bid must be submitted pursuant to the Bidding Procedures. If the Court denies the Bidding Motion, the Trustee will provide an amended Notice setting forth the procedures for submitting Competing Bids.

Pursuant to the proposed Bidding Procedures, **IF YOU DESIRE TO SUBMIT A COMPETING BID, YOU MUST DO SO PRIOR TO July 22, 2015 at 2:00 p.m. (Mountain Time) (the “Bidding Deadline”)**. All Competing Bids must be submitted to and received by the following before the proposed Bidding Deadline:

1. Counsel for the Liquidating Trustee at Dorsey & Whitney LLP, 136 South Main Street, Suite 1000, Salt Lake City, UT 84101-1685, Attn: Peggy Hunt, hunt.peggy@dorsey.com; and
2. Counsel for the Purchaser at Jones Day, 555 S. Flower Street, 50th Floor, Los Angeles, CA 90071, Attn: Richard L. Wynne, rlwynne@jonesday.com.

If the Liquidating Trustee receives one or more Qualified Bids (as defined in the Bidding Motion) before the proposed Bidding Deadline, he will notify the Court of the need to conduct an auction (the “Auction”) to determine the highest and best Qualified Bid for the Smyrna Property. If necessary, such Auction will be conducted on July 28, 2015, at 9:00 a.m. (Mountain

Time) at the offices of Dorsey & Whitney LLP, 136 South Main Street, Suite 1000, Salt Lake City, Utah 84101-1685.

FREE AND CLEAR, “AS IS” SALE

PLEASE TAKE FURTHER NOTICE that the proposed sale of the Smyrna Property is “AS IS” and “WHERE IS” and made pursuant to 11 U.S.C. § 363(b) and (f), thus making it free and clear of all liens, claims, encumbrances and interests, except to the extent specifically permitted by the Land Purchase Agreement. Other than taxes associated with the Smyrna Property that will be paid from the sale proceeds, the Trustee is unaware of any liens, claims, encumbrances or financial interests against the Smyrna Property. Notwithstanding, to the extent that any such interests exist, they will attach to the net sale proceeds upon the Court’s entry of the Sale Order. *Failure to assert an interest in the Smyrna Property prior to the time the sale is approved by the Court shall be deemed a waiver of any interest in the net sale proceeds.*

NOTICE OF RESERVED HEARING

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion has been scheduled for **July 28, 2015 at 2:00 p.m. (Mountain Time)** before The Honorable Joel T. Marker at the United States Bankruptcy Court, Room 341 of the Frank E. Moss United States Courthouse, 350 South Main Street, Salt Lake City, Utah 84101. **NO HEARING WILL BE CONDUCTED ON THE MOTION UNLESS A WRITTEN OBJECTION IS FILED WITH THE CLERK OF THE COURT ON OR BEFORE THE OBJECTION DEADLINE SET FORTH BELOW, COMPETING BIDS ARE SUBMITTED TO THE TRUSTEE PRIOR TO THE PROPOSED BIDDING DEADLINE, OR THE COURT ORDERS OTHERWISE.**

OBJECTION PROCEDURES

PLEASE TAKE FURTHER NOTICE that if you do not want the Court to grant the relief requested in the Motion, or if you want the Court to consider your views on any portion of the Motion, including but not limited to the sale of the Smyrna Property to the Purchaser or the Trustee's request for authorization to pay costs associated with the sale or any interests you may assert in the Smyrna Property, then you or your attorney must do the following:

(1) On or before **July 23, 2015**, file with the Court a written objection explaining your position, at:

Clerk of the Court
United States Bankruptcy Court
350 South Main Street, Room 301
Salt Lake City, UT 84101

(2) If you mail your objection to the Court, you must mail it early enough so that the Court **actually receives it on or before July 23, 2015**. You must also mail a copy of your objection to the Trustee's undersigned counsel at 136 South Main Street, Suite 1000, Salt Lake City, Utah 84101.

(3) You must also attend the hearing on the Motion on **July 28, 2015 at 2:00 p.m.** **(Mountain Time)** before The Honorable Joel T. Marker at the United States Bankruptcy Court, Room 341 of the Frank E. Moss United States Courthouse, 350 South Main Street, Salt Lake City, Utah 84101. **There will be no further notice of the hearing**, and failure to attend the hearing will be deemed a waiver of your objection.

PLEASE TAKE FURTHER NOTICE that if you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Motion and may enter an Order granting that relief. *Pursuant to the Court's Local Rules, absent timely filing and*

service of objections to the Motion, the Trustee will ask the Court to enter an Order approving the Motion without a hearing, and the reserved hearing noted above will be stricken.

DATED this 6th day of July, 2015.

DORSEY & WHITNEY LLP

/s/ Peggy Hunt

Peggy Hunt

Milo Steven Marsden

Nathan S. Seim

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

McKAY, BURTON & THURMAN

/s/ Gregory J. Adams

Gregory J. Adams

*Attorneys for D. Ray Strong, Liquidating
Trustee of the CAOP I Liquidating Trust*