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*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 MOTION SEEKING AUTHORITY TO SELL REAL PROPERTY AND
AFFILIATED WATER RIGHTS LOCATED IN TOOELE, UTAH OUT OF THE ORDINARY
COURSE OF BUSINESS AND FREE AND CLEAR OF ALL INTERESTS PURSUANT TO 11
U.S.C. § 363, AND TO PAY SECURED CREDITOR, TAXES AND COSTS OF SALE FROM
SALE PROCEEDS AND NOTICE OF OPPORTUNITY FOR HEARING**

**Objection and Higher and Better Offer Deadline: July 25, 2017
Reserved Hearing Date: August 8, 2017 at 10:00 a.m. (Mountain Time)**

PLEASE TAKE NOTICE that D. Ray Strong (the “Trustee”), as the liquidating trustee of the Consolidated Legacy Debtors Liquidating Trust and the post-confirmation estate representative for 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 *Real Estate Purchase Contract* (the “Sale Agreement”) with Samuel D. Howard (the “Buyer”) for the sale of two real property lots located at approximately 2000 North Droubay Road, Tooele, UT 84074, tax parcel ID numbers 03-024-0-0005 and 03-024-0-0007 (together, the “Parcels”), including water rights to 24 acre feet (the “Water” and, together with the Parcels, the “Property”), subject to higher and better offers.

HIGHER AND BETTER OFFERS FOR THE PROPERTY ARE WELCOME PURSUANT TO THE INSTRUCTIONS SET FORTH IN THIS NOTICE.

PLEASE TAKE FURTHER NOTICE that in connection with the Sale Agreement, the Trustee has filed a *Motion Seeking Authority to Sell Real Property and Affiliated Water Rights Located in Tooele, Utah Out of the Ordinary Course of Business and Free and Clear of All Interests Pursuant to 11 U.S.C. § 363, and to Pay Secured Creditor, Taxes and Costs of Sale from Sale Proceeds* (the “Motion”), which seeks Court approval of the Sale Agreement and authorization to sell the Property to the Buyer as set forth in the Sale Agreement, or to any person or entity who makes a higher and better offer for the Property on or prior to July 25, 2017 (the “Higher and Better Bid Deadline”). The Trustee is also seeking approval to pay the secured creditor, taxes and costs of sale from the sale proceeds, including commissions to brokers.

A copy of the Motion, as well as a copy of the *Declaration of D. Ray Strong in Support of the Motion* (which Declaration includes a copy of the Sale Agreement as Exhibit B), have been 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. You should refer to the Sale Agreement for all terms of the proposed sale. *If you have not received a copy of the Motion, Trustee’s*

Declaration and/or Sale Agreement and you would like one, you may obtain a copy by requesting it from the Trustee's undersigned counsel.

YOUR RIGHTS MAY BE AFFECTED.

PLEASE TAKE FURTHER NOTICE that you should carefully read this Notice, as well as the Motion and Sale 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 Property is subject to higher and better offers. The total purchase price for the Property offered by the Buyer is \$480,000 (the "Purchase Price"). Of the Purchase Price, \$372,000 is attributed to the Parcels, and \$108,000 is attributed to the Water.

IF YOU DESIRE TO SUBMIT A HIGHER AND BETTER OFFER FOR THE PROPERTY, YOU MUST DO SO PRIOR TO THE HIGHER AND BETTER BID DEADLINE.

All competing offers must be: (1) made in writing; (2) submitted to the Trustee through his counsel at seim.nathan@dorsey.com prior to the expiration of the Higher and Better Bid Deadline; and (3) accompanied by a cash deposit in the amount of \$25,000 and evidence of ability to perform (a "Qualified Bid"). The Trustee will not consider any offer that does not meet the requirements of a Qualified Bid. If a Qualified Bid is determined to be the highest and best offer, the \$25,000 will become nonrefundable upon the Court's approval of the sale to such offeror, and the deposit will be applied to the purchase price. If a Qualified Bid is determined not to be the highest and best offer, the \$25,000 will be returned to the person submitting the Qualified Bid. Whether a Qualified Bid constitutes a higher and better offer will be determined by the Trustee in his sole discretion.

In the event Qualified Bids are submitted, the Trustee will provide copies of the Qualified Bids to the Buyer and all other persons submitting Qualified Bids. If the Trustee determines that it is appropriate,

he may conduct an auction prior to the date of the hearing on the Motion, inviting the Buyer and all those who have submitted Qualified Bids to participate.

FREE AND CLEAR, AS IS SALE

PLEASE TAKE FURTHER NOTICE that pursuant to the Sale Agreement and 11 U.S.C. § 363(b) and (f), the proposed sale of the Property is “AS IS,” “WHERE IS,” and free and clear of any liens, claims, encumbrances and interests. Any liens on the Property, if any, will attach to the net sale proceeds upon the Court’s entry of an Order granting the Motion and approving the Sale Agreement. *Failure to assert an interest in the 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 reserved hearing on the Motion has been scheduled for **August 8, 2017 at 10:00 a.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 OR COMPETING OFFERS ARE SUBMITTED TO THE TRUSTEE PRIOR TO THE HIGHER AND BETTER BID DEADLINE.**

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 Property to the Buyer, the Trustee’s request for authorization to pay the secured creditor, taxes and costs associated with the sale, or any interests you may assert in the Property, then you or your attorney must do the following:

(1) On or before **July 25, 2017**, 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 so that the Court **actually receives it on or before July 25, 2016**. 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 **August 8, 2017 at 10:00 a.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 30th day of June, 2017.

DORSEY & WHITNEY LLP

/s/ Peggy Hunt
Peggy Hunt
Nathan S. Seim
John J. Wiest
Attorneys for Trustee