

J. Thomas Beckett, USB #5587  
Brian M. Rothschild, USB #15316  
**PARSONS BEHLE & LATIMER**  
201 South Main Street, Suite 1800  
Salt Lake City, Utah 84111  
Telephone: 801.532.1234  
Facsimile: 801.536.6111  
[tbeckett@parsonsbehle.com](mailto:tbeckett@parsonsbehle.com)  
[ecf@parsonsbehle.com](mailto:ecf@parsonsbehle.com)

*Attorneys for DSSIII Holdings Company, LLC*

---

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

---

In re:

CASTLE ARCH REAL ESTATE  
INVESTMENT COMPANY, *et al.*,

Debtors,

Case No. 11-35082, 11-35237, 11-35234, 11-  
35242, and 11-35246

(Substantively Consolidated)

Chapter 11

The Honorable Joel T. Marker

---

**DSSIII'S LIMITED OBJECTION TO JULY 31, 2015 REQUEST  
FOR PAYMENT OF FEES AND REIMBURSEMENT OF  
EXPENSES**

---

DSSIII Holding, LLC, by and through its undersigned counsel, hereby objects to the July 31, 2015 *REQUEST FOR COMPENSATION AND REIMBURSEMENT BY MCKAY BURTON & THURMAN P.C. (COUNSEL FOR CAOP I LIQUIDATING TRUST), DURHAM JONES & PINEGAR P.C. (COUNSEL FOR CAOP II LIQUIDATING TRUST), AND D. RAY STRONG, TRUSTEE OF THE CAOP I LIQUIDATING TRUST AND THE CAOP II LIQUIDATING TRUST FOR COMPENSATION AND REIMBURSEMENT PURSUANT TO CONFIRMED PLAN AND LIQUIDATING TRUST AGREEMENTS FOR THE PERIOD JANUARY 1, 2015 THROUGH*

*JUNE 30, 2015* (docket # 1149) (the “Fee & Expense Request”), but only to the extent it seeks any disbursement of any of DSSIII’s Payment Funds (defined below).<sup>1</sup>

**BACKGROUND**

1. In partial response to the Trustee’s June 30, 2015 Notice of Termination and July 6, 2015 motion to approve a sale of the Smyrna Property to Robert Geringer, DSSIII commenced the Tennessee Action against the Trustee on July 10, 2015 in the United States District Court for the District of Tennessee. (A file-stamped copy of the complaint that initiated the Tennessee Action was filed in this case at docket # 1115.)

2. The Tennessee Action sought specific performance by the Trustee of his REPSA with DSSIII, and it also sought to recover DSSIII’s attorneys fees pursuant to the REPSA.

3. On July 31, 2015, the Trustee closed his sale of the Smyrna Property to DSSIII, and DSSIII wired \$1.5 million, in full satisfaction of the Purchase Price, to the Trustee’s account (“DSSIII’s Payment Funds”).

4. DSSIII’s should be reimbursed its attorneys fees, pursuant to the RESPA, from DSSIII’s Payment Funds, before any other distribution of those funds occurs.

**OBJECTION**

5. Pending resolution of the Tennessee Action, DSSIII objects to the Fee & Expense Request except to the extent such request is satisfied by funds other than DSSIII’s Payment Funds.

---

<sup>1</sup> Capitalized terms have the meanings given them in DSSIII’s Ex Parte Request for Emergency Status Conference, dkt. # 1113.

Dated this 10<sup>th</sup> day of August, 2015.

Respectfully submitted,

**PARSONS BEHLE & LATIMER**

*/s/ J. Thomas Beckett*  
J. Thomas Beckett  
*Counsel to DSSIII*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that, on August 10, 2015, he caused the foregoing **DSSIII'S LIMITED OBJECTION TO JULY 31, 2015 REQUEST FOR PAYMENT OF FEES AND REIMBURSEMENT OF EXPENSES** to be filed via this Court's ECF system and therefore served upon all those that have requested such service, and, in addition, that on that date he also e-mailed copies of that document to:

Penrod Keith at [pkeith@djplaw.com](mailto:pkeith@djplaw.com)

Peggy Hunt at [hunt.peggy@dorsey.com](mailto:hunt.peggy@dorsey.com)

Laurie Cayton at [laurie.cayton@usdoj.gov](mailto:laurie.cayton@usdoj.gov)

*/s/ J. Thomas Beckett* \_\_\_\_\_