

Jonathan O. Hafen (6096) (jhafen@parrbrown.com)

Jeffery A. Balls (12437) (jballs@parrbrown.com)

Cynthia D. Love (14703) (clove@parrbrown.com)

PARR BROWN GEE & LOVELESS, P.C.

101 South 200 East, Suite 700

Salt Lake City, Utah 84111

Telephone: (801) 532-7840

Facsimile: (801) 532 7750

Attorneys for Court-Appointed Receiver R. Wayne Klein

**UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH
CENTRAL DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

RAPOWER-3, LLC; INTERNATIONAL
AUTOMATED SYSTEMS, INC.; LTB1,
LLC; R. GREGORY SHEPARD; NELDON
JOHNSON; and ROGER FREEBORN,

Defendants.

**RECEIVER'S NOTICE OF SALE
RESULTS**

**(Shepard Home, 858 W. Clover Meadow
Drive, Murray, UT)**

Civil No. 2:15-cv-00828-DN

District Judge David Nuffer

R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") for RaPower-3, LLC, International Automated Systems, and LTB1 (collectively, "RaPower"), and the assets of Neldon Johnson and R. Gregory Shepard, by and through his counsel, hereby files this *Notice of Sale Results (Shepard Home, 858 W. Clover Meadow Drive, Murray, UT)*. In support hereof, the Receiver states as follows:

1. On August 13, 2021, the Court entered an *Order Granting Receiver's Motion Requesting Order Approving (1) Public Sale of Property Free and Clear of Interests, (2) Method*

*and Form of Publication Notice, and (3) Public Auction Procedures*¹ (the “Sale Order”), authorizing procedures for and the public sale of the Greg Shepard home located at 858 W. Clover Meadow Drive, in Murray, Salt Lake County, Utah (the “Real Property”), free and clear of interests. A legal description of the Real Property is set forth in the Sale Order.

2. Pursuant to the Sale Order, the Receiver provided notice of the auction via publication of the Court-approved notice in the *Salt Lake Tribune* once a week for a period of four weeks prior to the auction date, on the Receiver’s website, and via solicitations of potential real estate investors by electronic mail and regular mail. The legal notice was published on August 22 and 29 and September 5 and 12, 2021. Evidence of the publication of notice is attached hereto as **Exhibit A**. The Receiver also sent notice of the auction to others who had indicated an interest in the property, one of which became a bidder at the auction.

3. One bidder, in addition to the stalking horse bidder, qualified to bid before the prequalification deadline for the auction, so the Receiver conducted the auction. The property sold for \$700,000 to Red Rock Residential LLC, the stalking horse bidder. The final high bid of \$700,000 was higher than the initial stalking horse bid of \$660,009.

4. The net proceeds from the sale of the Real Property were affected by a number of unusual factors. These include the Receivership Estate only owning half of the equity in the home, the existence of a mortgage on the Real Property, reimbursement of expenses incurred by the Receiver from sales proceeds, and agreements between the Receiver and Greg Shepard relating to allocation of the net proceeds.

5. The sale of the Real Property to the high bidder closed on September 30, 2021.

¹ Docket no. 1147, filed August 13, 2021.

The following is a summary of the results of this sale.

Gross Sales Price	\$700,000.00
Mortgage Payoff	-\$311,003.97
2021 Property Tax (Net)	-\$2,616.18
Real Estate Commissions	-\$33,000.46
Title Insurance	-\$2,877.00
Settlement Agent Fee, Escrow Fee	-\$150.00
Receiver Expense Reimbursement	-\$2,419.98
Settlement Payment to Receiver	<u>-\$10,000.00</u>
Net Proceeds from Home Sale	\$337,932.41

Payments to the Receiver from the net proceeds and auction deposit were:

60% of Net Proceeds to Receiver	\$197,759.34
Additional Deposit Paid at Auction	\$5,000.00
Receiver Expense Reimbursement	\$2,419.98
Settlement Payment to Receiver	<u>\$10,000.00</u>
TOTAL PROCEEDS TO RECEIVER	\$215,179.43

6. The net sales proceeds were deposited into the Receivership operating account.
7. The earnest money deposit was returned to the unsuccessful bidder.

DATED this 4th day of October 2021.

PARR BROWN GEE & LOVELESS

/s/ Cynthia D. Love
 Jonathan O. Hafen
 Jeffery A. Balls
 Cynthia D. Love

Attorneys for Receiver

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that service of the foregoing was electronically filed with the Clerk of the Court through the CM/ECF system on October 4, 2021, which sent notice of the electronic filing to all counsel of record.

IT IS FURTHER CERTIFIED that, on the same date, by U.S. Mail, first-class, postage pre-paid, I caused to be served the same documents upon the following persons:

R. Gregory Shepard
10672 Winter Haven Court
South Jordan, UT 84095

Neldon Johnson
PO Box 95332
South Jordan, UT 84095

Pro se Defendants

/s/ Cynthia D. Love