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**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**

**(Abraham, Utah Home and Five Acres,
HD-4606-2-1)**

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 *Receiver's Notice of Sale Results (Abraham, Utah Home and Five Acres)*. In support hereof, the Receiver states as follows:

1. On February 4, 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 the public sale at auction of certain real property described as a home located at 723 North 7000 West, located in Abraham, Millard County, Utah (the “Property”), free and clear of interests.

2. The Receiver acquired the Property from Glenda Johnson as a result of the Turnover Order.² Upon taking possession, the Receiver changed the locks on the home, sold furniture in the home, and made several significant repairs to the home such as replacing the well pump and tank. Substantial cleanup of the home and property was required, including removal of abandoned fitness equipment, abandoned commercial cooking equipment, and debris. The Receiver obtained insurance for the Property and has been paying the utilities for the home.

3. With approval of the Court,³ the Receiver published notice of the proposed sale in the *Millard County Chronicle Progress*, a newspaper of general circulation in Millard County, Utah. The notice was published on February 10, February 17, February 24, and March 3, 2021. Notice of the auction also was provided on the Receiver’s website and via solicitations of potential real estate investors by electronic mail and regular mail. Evidence of the publication of notice is attached hereto as **Exhibit A**.

4. Two other bidders prequalified to bid at the auction, paying bid deposits and signing auction procedures agreements.

5. The Property auction was held on March 11, 2021 at the Millard County Courthouse in Fillmore, Utah. The bidding started at the \$230,000 bid from the stalking horse bidder. At the

¹Docket no. 1076, filed February 4, 2021.

²Docket no. 107, filed September 15, 2020.

³Docket no. 1076, filed February 4, 2021.

conclusion of the auction, the stalking horse bidder (Jared Robinson) was the high bidder, agreeing to pay \$240,000. This was a \$10,000 increase from the amount of the stalking horse bid.

6. On March 23, 2021, in connection with preparations to close on the sale of another Receivership property, a title company informed the Receiver that the legal description contained in the Sale Order was incorrect.⁴ The Receiver filed a motion requesting approval of a corrected sale order,⁵ which was granted on March 15, 2021.⁶

7. The sale of the Property to the high bidder closed on March 18, 2021. The following is a summary of the results of this sale.

Gross sales price	\$240,000.00
Buyer credit toward closing costs	-\$5,500.00
2021 property taxes	-\$240.17
Settlement fee to title company	-\$250.00
Title insurance	-\$1,217.00
Real estate commissions	<u>-\$13,800.00</u>
Net Sale Proceeds at Closing	\$218,992.83

Additional Property Income and Expenses

Furniture sale proceeds	\$9,248.00
Repairs and cleaning	-\$4,243.62
Publication of notice	-\$274.40
Propane and tank rental	-\$1,260.99
Insurance ⁷	-\$1,896.00

8. The net proceeds from the sale have been deposited into the Receivership operating account. The bid deposits have been returned to the unsuccessful bidders.

⁴The legal description had been copied from the Corrected Receivership Order, which was incorrect.

⁵Docket no. 1092, filed February 23, 2021.

⁶Docket no. 1102, filed March 15, 2021. A corrected sale order was entered the next day at docket no. 1104, filed March 16, 2021.

⁷The Receiver expects approximately 75% of this amount to be refunded.

DATED this 9th day of April, 2021.

PARR BROWN GEE & LOVELESS

/s/ Jeffery A. Balls

Jonathan O. Hafen

Jeffery A. Balls

Michael S. Lehr

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 April 9, 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
858 W. Clover Meadow Dr.
Murray, Utah 84123

Neldon Johnson
PO Box 95332
South Jordan, Utah 84095

/s/ Wendy V. Tuckett
