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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**

**(Tower Site: Millard County Property
Parcel No. HD-4658-1)**

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 *Notice of Sale Results (Tower Site: Millard County Property Parcel No. HD-4658-1)*. In support hereof, the Receiver states as follows:

1. On June 6, 2019, the Court entered an *Order Granting Motion Regarding Public*

*Sale of Millard County property (Parcel No. HD4658-1)*¹ (the “Sale Order”), authorizing procedures for and the public sale of certain real property described as a 75.4 acre property having parcel number HD-4658-1, located in Millard County, Utah (the “Real Property”), free and clear of interests. This is the property also known as the test site. 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 *Millard County Chronicle Progress* 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 published legal notice indicated the Receiver had set an auction date of July 18, 2019. Evidence of the publication of notice is attached hereto as **Exhibit A**.

3. After publication, four additional bidders qualified to bid at the auction. The auction began with the bid of the stalking horse bid of \$3,800 and continued until the high bid of \$21,000 was received. This was the approach prescribed by the Court approved “Auction Procedures” attached as Exhibit B to the *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 (Tower Site: Millard County Property HD-4658-1)*.²

4. The sale of the Real Property to the high bidder (Wings West, L.C.) closed on or about August 5, 2019. The following is a summary of the results of this sale.

| | |
|---------------------|--------------------------|
| Gross Sales Price | \$21,000.00 |
| Property Tax Escrow | -\$1,800.00 ³ |

¹ Docket No. 689, filed June 6, 2019.

² Docket No. 661, filed May 20, 2019.

³ This is being held by Juab Title & Abstract Co. pending an appeal of the 2019 assessed valuation of \$149,350.00. If the 2019 taxes are significantly reduced, as expected, much of this amount is expected to be returned.

| | |
|----------------------------------|--------------------|
| Real Estate Commissions | -\$1,000.00 |
| Title Insurance | -\$294.00 |
| Settlement Agent Fee, Escrow Fee | <u>-\$250.00</u> |
| NET SALES PROCEEDS | \$17,656.00 |

5. The bid deposit and entire remaining purchase amount were deposited into the savings account associated with the Receivership account. The Receiver paid the \$3,344.00 in closing costs directly to the title company with funds from the savings account.

6. The bid deposits from the unsuccessful bidders were returned to them on August 1, 2019, after the buyer paid the full purchase price to the Receiver.

7. The property sale included all equipment, vehicles, and supplies on the property as of the date of the auction. The Receiver had previously sold a trailer located on the property for \$500.00. The Receiver gave a bill of sale to the property buyer transferring title to all the vehicles and personal property on the tower site as of the auction date.

8. On the day of the auction, the Receiver went to the Property with the buyer. The Receiver noted significant damage to equipment located on the Property. The damage included smashed lights, broken windshields, and damage to vehicle bodies. The nature and extent of damages indicates the damage was intentional. This damage occurred sometime between March 26, 2019, the date of the appraisal, and July 18, 2019, the date of the Property auction.

DATED this 5th day of August 2019.

PARR BROWN GEE & LOVELESS

/s/ Michael S. Lehr
Jonathan O. Hafen
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 August 5th, 2019, 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 Clover Meadow Dr.
Murray, Utah 84123

Pro se Defendants

/s/ Michael S. Lehr