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 7
 8 UNITED STATES BANKRUPTCY COURT
 9 FOR THE DISTRICT OF OREGON
 10 PORTLAND DIVISION

11 In re:	Case No. 10-30406-elp11
12 REMINGTON RANCH, LLC,	DEBTOR'S FOURTH AMENDED PLAN OF REORGANIZATION
13 Debtor.	

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1 Remington Ranch, LLC (“RR”), as Debtor and Debtor-in-Possession, proposes the
2 following Plan of Reorganization (the “Plan”) pursuant to Section 1121(a) of Title 11 of the
3 United States Code.

4 Remington Ranch has negotiated and obtained commitments for a Bridge Loan and a
5 Construction Loan to reduce debt, to provide operating capital and complete construction of Phase
6 I. The Phase I improvements include 192 single family lots and sufficient number of overnight
7 units to allow recordation of the plat, the Wicked Pony Golf Course, the sales center (which is
8 fully constructed at present), and an extensive system of lakes and streams, along with the
9 supporting infrastructure located on approximately 770 acres in the southern portion of the
10 Property. Secured and Unsecured Creditors will be paid after the Bridge Loan and Construction
11 Loan debt are fully retired.

12 This Plan provides for the repayment of RR’s obligations to its Creditors. The Plan
13 provides for the Secured Creditor(s) to be paid, over time, the full amount of the Allowed
14 Secured Claim of each from the proceeds from lot sales as provided in Article 4. Unsecured
15 Creditors will also be paid the full amount of the Allowed Unsecured Claim of each from the
16 proceeds of lot sales as provided in Article 4.

17 If a Plan is confirmed, and construction begins in the 2011, Debtor intends for the first
18 closings of lot sales to begin in the second quarter of 2012. Apart from fluctuations in the times
19 and amounts of sales, the timing of payment to creditors will depend upon the amount of claims
20 allowed and the priority of claims. Debtor intends to fully retire the Bridge Loan with the
21 Construction Loan not earlier than 6 months from the Effective Date. Debtor also intends to
22 retire the Construction Loan by the end of 2013, at which time payment to creditors would
23 commence. If every claim is allowed for the maximum amount, all claims would be satisfied by
24 the first quarter of 2015. Therefore, unsecured creditors should expect to be paid in 2014-15.

25 A Disclosure Statement is enclosed herewith to assist you in understanding this Plan and
26 making an informed judgment concerning its terms.

1 **ARTICLE 1**

2 **DEFINITIONS**

3 Definitions of certain terms used in this Plan are set forth below. Other terms are defined
4 in the text of this Plan or the text of the Disclosure Statement. In either case, when a defined
5 term is used, the first letter of each word in the defined term is capitalized. Terms used and not
6 defined in the Plan or the Disclosure Statement shall have the meanings given in the Bankruptcy
7 Code or Bankruptcy Rules, or otherwise as the context requires. The meanings of all terms shall
8 be equally applicable to both the singular and plural, and masculine and feminine, forms of the
9 terms defined. The words “herein,” “hereof,” “hereto,” “hereunder,” and others of similar
10 import, refer to the Plan as a whole and not to any particular section, subsection or clause
11 contained in the Plan. Captions and headings to articles, sections and exhibits are inserted for
12 convenience of reference only and are not intended to be part of or to affect the interpretation of
13 the Plan. The rules of construction set forth in Section 102 of the Bankruptcy Code shall apply.
14 In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy
15 Rule 9006(a) shall apply. Any capitalized term that is not defined herein but is defined in the
16 Bankruptcy Code shall have the meaning ascribed to such term in the Bankruptcy Code.

17 1.1 “Administrative Expense Claim” means any Claim entitled to the priority
18 afforded by Sections 503(b) and 507(a) (1) of the Bankruptcy Code.

19 1.2 “Allowed” means, with respect to any Claim, proof of which has been properly
20 Filed or, if no Proof of Claim was so Filed, which was or hereafter is listed on the Schedules as
21 liquidated in amount and not disputed or contingent, and, in either case, a Claim as to which no
22 objections to the allowance thereof, or motion to estimate for purposes of allowance, shall have
23 been Filed on or before any applicable period of limitation that may be fixed by the Bankruptcy
24 Code, the Bankruptcy Rules and/or the Bankruptcy Court, or as to which any objection, or any
25 motion to estimate for purposes of allowance, shall have been so Filed, to the extent allowed by a
26 Final Order.

1 1.3 “Allowed Secured Claim” means an Allowed Claim that is secured by a lien,
2 security interest, or other charge against or interest in property in which the Debtor has an
3 interest or that is subject to setoff under Section 553 of the Bankruptcy Code, to the extent of the
4 value (as set forth in the Plan, or if no value is specified, as determined in accordance with
5 Section 506(a) of the Bankruptcy Code or, if applicable, Section 1111(b) of the Bankruptcy
6 Code) of the interest of the holder of such Claim in Debtor’s interest in such property or to the
7 extent of the amount subject to setoff, as the case may be.

8 1.4 “Allowed Unsecured Claim” means an Allowed Claim that is not an Allowed
9 Secured Claim or an Allowed Administrative Expense Claim.

10 1.5 “Amended Operating Agreement” means the Operating Agreement of the
11 Reorganized Debtor, which shall modify and amend Debtor’s Operating Agreement to prohibit
12 the issuance of non-voting equity securities to the extent required by Section 1123(a) (6) of the
13 Bankruptcy Code.

14 1.6 “Bankruptcy Case” means the case under Chapter 11 of the Bankruptcy Code
15 with respect to Debtor, pending in the District of Oregon, administered as *In re Remington*
16 *Ranch, LLC*, Case No. 09-30406-elp11.

17 1.7 “Bankruptcy Code” means the Bankruptcy Reform Act of 1978, as amended
18 from time to time, set forth in Sections 101 et seq. of Title 11 of the United States Code.

19 1.8 “Bankruptcy Court” means the United States Bankruptcy Court for the District of
20 Oregon, or such other court that exercises jurisdiction over the Bankruptcy Case or any
21 proceeding therein, including the United States District Court for the District of Oregon, to the
22 extent that the reference to the Bankruptcy Case or any proceeding therein is withdrawn.

23 1.9 “Bankruptcy Rules” mean collectively, the Federal Rules of Bankruptcy
24 Procedure, as amended and promulgated under Section 2075, Title 28, of the United States Code,
25 and the local rules and standing orders of the Bankruptcy Court.

26 1.10 “Bank” means Columbia State Bank.

1 1.11 “Business Day” means a day other than a Saturday, Sunday or other day on
2 which banks in Portland, Oregon are authorized or required by law to be closed.

3 1.12 “Bridge Lender” means Adjacent Opportunity Capital, L.L.C. (“AOC”), the
4 lender that has provided a commitment to provide start up and debt reduction financing up to
5 \$9,000,000 through a Bridge Loan.

6 1.13 “Bridge Loan” means post-petition financing in an amount not to exceed
7 \$9,000,000 from the Bridge Lender.

8 1.14 “Cash” means lawful currency of the United States of America.

9 1.15 “Claim” means (a) any right to payment from Debtor arising before the Effective
10 Date, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed,
11 contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or
12 (b) any right to an equitable remedy against Debtor arising before the Effective Date for breach
13 of performance if such breach gives rise to a right of payment from Debtor, whether or not such
14 right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured,
15 disputed, undisputed, secured or unsecured.

16 1.16 “Class” means one of the classes of Claims defined in Article 3 hereof.

17 1.17 “Class B Membership Interest” means Founding members that are non-voting and
18 non- equity investors.

19 1.18 “Class C Membership Interest” means Charter members who are non-voting and
20 non-equity investors.

21 1.19 “Collateral” means any property in which Debtor has an interest that is subject to
22 a lien or security interest securing the payment of an Allowed Secured Claim.

23 1.20 “Confirmation Date” means that date on which the Confirmation Order is entered
24 on the docket by the Clerk of the Bankruptcy Court.

25 1.21 “Confirmation Order” means the order of the Bankruptcy Court confirming the
26 Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code.

1 1.22 “Construction Financing” means the Construction Loan in an amount up to
2 \$30,000,000.00 from Infinity Capital & Funding, LLC, (an Arizona Limited Liability Company)
3 along with a consortium of insurance companies.

4 1.23 “Construction Lender” means Infinity Capital & Funding, LLC, (an Arizona
5 Limited Liability Company) along with a consortium of insurance companies.

6 1.24 “Construction Loan” means construction financing in an amount up to
7 \$30,000,000.00 from Infinity Capital & Funding, LLC, (an Arizona Limited Liability Company)
8 along with a consortium of insurance companies.

9 1.25 “Committee” means the official Unsecured Creditors Committee appointed in the
10 Chapter 11 case of *In re Remington Ranch, LLC*, by the United States Trustee pursuant to
11 Section 1102 of the Bankruptcy Code, if a Committee is appointed. To date, no Committee has
12 been appointed.

13 1.26 “Creditor” means any entity holding a Claim against Debtor.

14 1.27 “Debtor” means Remington Ranch, LLC as Debtor and Debtor-in-Possession in
15 the Bankruptcy Case.

16 1.28 “Disclosure Statement” means Debtor’s Disclosure Statement as amended,
17 modified, restated or supplemented from time to time, pertaining to the Plan.

18 1.29 “Disputed Claim” means a Claim with respect to which a Proof of Claim has
19 been timely Filed or deemed timely Filed under applicable law, and as to which an objection,
20 timely Filed, has not been withdrawn on or before the Effective Date or any date fixed for filing
21 such objections by order of the Bankruptcy Court, and has not been denied by a Final Order and
22 which Claim has not been estimated or temporarily allowed by the Bankruptcy Court on timely
23 motion by the holder of such Claim. If an objection related to the allowance of only a part of a
24 Claim has been timely Filed or deemed timely Filed, such Claim shall be a Disputed Claim only
25 to the extent of the objection.

26

1 1.30 “Effective Date” means the 15th day following entry of the Confirmation Order,
2 or the date upon which the first advance of the Bridge Loan is made to pay the debt reduction
3 payments, whichever is earlier.

4 1.31 “Employee Benefit Claim” means any Claim that is not otherwise classified of a
5 present or former employee of Debtor, or their spouses and dependents, for any employment
6 related benefit, including pension, retirement, severance, vacation, medical, disability or death
7 benefits under any plan, fund, agreement, contract or program established or entered into by
8 Debtor prior to the Petition Date.

9 1.32 “Filed” means filed with the Bankruptcy Court in the Bankruptcy Case.

10 1.33 “Final Order” means order or judgment entered on the docket by the Clerk of the
11 Bankruptcy Court or any other court exercising jurisdiction over both the subject matter and the
12 parties which has not been reversed, stayed, modified or amended and as to which the time for
13 filing a notice of appeal, or petition for certiorari or request for certiorari, or request for rehearing
14 shall have expired.

15 1.34 “Funding Date” means the funding date for the Bridge Loan.

16 1.35 “Hooker Creek” means Hooker Creek Companies LLC, as well as any affiliates,
17 subsidiaries, or parent companies of Hooker Creek Companies LLC, including but not limited to
18 Hooker Creek Asphalt and Paving.

19 1.36 “Insider” shall have the meaning ascribed to it by Section 101(31) of the
20 Bankruptcy Code.

21 1.37 “Interest” means all rights of the owners and members of RR including the issued
22 and outstanding membership interests of Debtor.

23 1.38 “Membership Interests” means all rights of the owners and members of RR
24 including the issued and outstanding membership interests of Debtor.

25 1.39 “New Membership Interests” means the 100 New Membership Interest issues by
26 Reorganized Debtor.

1 1.40 “New Note” means a new promissory note issued to Bank for \$6,000,000, which
2 will bear interest at four percent (4%) *per annum* paid quarterly, and which shall be fully retired
3 on or before the fifth anniversary of the Effective Date. The Bank will retain its security interest
4 in the Property; however, the Bank’s security interest will be subordinate and junior to the
5 Priming Lien which will be granted to the Bridge Lender and the Construction Lender. After the
6 Bridge Lender and Construction Lender debt has been retired in full, eighty percent (80%) of all
7 net lot sales will be paid to the Bank until its debt is fully retired.

8 1.41 “Other Priority Claim” means any Claim for an amount entitled to priority in right
9 of payment under Section 507(a)(3), (4), (5) or (6) of the Bankruptcy Code.

10 1.42 “Petition Date” means January 21, 2010, the date on which the petition
11 commencing this Bankruptcy Case was Filed.

12 1.43 “Phase I” means 192 single family lots, the Wicked Pony Golf Course, the sales
13 center, and an extensive system of lakes and streams, along with the supporting infrastructure
14 located on approximately 770 acres in the southern portion of the Property.

15 1.44 “Plan” means this Plan of Reorganization, as amended, modified, restated or
16 supplemented from time to time.

17 1.45 “Priority Tax Claim” means a Claim of a government unit of the kind entitled to
18 priority under Section 507(a)(8) of the Bankruptcy Code or that would otherwise be entitled to
19 priority but for the secured status of the Claim.

20 1.46 “Project” means all of the improvements to the Property consistent with the
21 entitlements previously granted by Crook County, including the golf course(s), residential lots,
22 retail buildings, and other infrastructure necessary for a destination resort.

23 1.47 “Property” means the 2080 acres of land in Powell Butte, Oregon of zoned
24 destination resort land that presently includes a fully constructed sales center and a partially
25 constructed golf course, and related infrastructure.

26

1 1.48 “Remainder Piece” or “Excess Property” means that portion of the Property not
2 included in Phase I.

3 1.49 “Reorganized Debtor” means Debtor from and after the Effective Date.

4 1.50 “Restated Operating Agreement” means the restated operating agreement which
5 shall modify and amend Debtor’s prior operating agreement and govern the Reorganized Debtor.

6 1.51 “RR” means Remington Ranch, LLC.

7 1.52 “Schedules” means the Schedules of Assets and Liabilities and the Statement of
8 Financial Affairs Filed by Debtor pursuant to Section 521 of the Bankruptcy Code, as amended,
9 modified, restated or supplemented from time to time.

10 1.53 “Secured Claim” means any Claim against Debtor held by any entity, including,
11 without limitation, an affiliate or judgment creditor of Debtor, to the extent such Claim
12 constitutes a secured Claim under Sections 506(1) or 1111(b) of the Bankruptcy Code.

13 1.54 “Secured Creditor Pool” means a pool funded by net proceeds from lot sales. The
14 net proceeds from lot sales will be paid into two separate creditor pools; the Secured Creditors’
15 Pool and the Unsecured Creditors’ Pool. After the Bank debt is fully retired by net lot sale
16 proceeds, the Reorganized Debtor will fund the Secured Creditors’ Pool by paying eighty percent
17 (80%) of the net lot sale proceeds. This percentage will remain in effect until the Secured
18 Creditors have been paid 75% of the Allowed Secured Claim of each. The contribution to the
19 Secured Creditors’ Pool will be reduced to fifty percent (50%) of the net lot sale proceeds once
20 the seventy five percent (75%) threshold has been reached.

21 1.55 “Small Unsecured Claims” mean Unsecured Claims that are equal to or less than
22 \$30,000 or any other creditor that chooses to reduced its Claim to obtain treatment as a Small
23 Unsecured Claim.

24 1.56 “Unsecured Claim” means an unsecured Claim that is not an Administrative
25 Claim, a Secured Claim, a Tax Claim or an Other Priority Claim.

26 1.57 “Unsecured Creditor” means a holder of an Allowable Unsecured Claim.

1 1.58 "Unsecured Creditor Pool" means a pool funded by net proceeds from lot sales.
2 The net proceeds from lot sales will be paid into two separate creditor pools; the Secured
3 Creditors' Pool and the Unsecured Creditors' Pool. The Reorganized Debtor will not begin
4 funding the Unsecured Creditors' Pool (at 50% of the net lot proceeds) until the Bank has been
5 paid in full and the remainder of the Secured Creditors have been paid not less than 75% of the
6 Allowed Secured Claim of each. All General Unsecured Creditors will be paid pro rata from the
7 Unsecured Creditor Pool.

8 1.59 "Utility Deposits" means deposits with utilities made by Debtor after the Petition
9 Date pursuant to Section 366(b) of the Bankruptcy Code.

10 **ARTICLE 2**

11 **UNCLASSIFIED CLAIMS**

12 2.1 Administrative Expense Claims. Each holder of an Allowed Administrative
13 Expense Claim shall be paid by Debtor in full in Cash on the later of (a) the Effective Date or (b)
14 the date on which such Claim becomes Allowed, unless such holder shall agree in writing to a
15 different treatment of such Claim (including, without limitation, any different treatment that may
16 be provided for in any documentation, statute or regulation governing such Claim); provided,
17 however, that Administrative Expense Claims representing obligations incurred in the ordinary
18 course of business by Debtor during the Bankruptcy Case shall be paid by Debtor or
19 Reorganized Debtor in the ordinary course of business and in accordance with any terms and
20 conditions of the particular transaction, and any agreements relating thereto.

21 2.2 Priority Tax Claims. Each holder of an Allowed Unsecured Priority Tax Claim
22 shall be paid by Debtor on the 25th day of the first full month following the Effective Date over a
23 period ending five years from the Petition Date the full amount of its Allowed Priority Tax Claim
24 as allowed by Section 1129(a)(9)(C) and (D) in equal amortizing payments of principal and
25 interest at the rate determined under applicable non-bankruptcy law, or such other rate as
26 determined by the Bankruptcy Court.

1 2.3 Bankruptcy Fees. Fees payable by Debtor under 28 USC § 1930, or to the Clerk
2 of the Bankruptcy Court, will be paid in full in Cash on the Effective Date. After confirmation,
3 Reorganized Debtor shall continue to pay quarterly fees of the Office of the United States
4 Trustee and to file quarterly reports with the Office of the United States Trustee until this case is
5 closed by the Court, dismissed or converted except as otherwise ordered by the Court. This
6 requirement is subject to any amendments to 28 USC § 1930(a)(6) that Congress makes
7 retroactively applicable to confirmed Chapter 11 cases.

8 ARTICLE 3

9 CLASSIFICATION

10 For purposes of this Plan, Claims (except those treated under Article 2) are classified as
11 provided below. A Claim is classified in a particular Class only to the extent that such Claim
12 qualifies within the description of such Class, and is classified in a different Class to the extent
13 that such Claim qualifies within the description of such different Class.

14 3.1 Class 1 (Priority Claims). Class 1 consists of all Allowed Priority Claims.

15 3.2 Class 2 (Columbia State Bank). Class 2 consists of the Allowed Secured Claim of
16 Columbia State Bank.

17 3.3 Class 3 (Bernard and Linda Paine). Class 3 consists of the Allowed Secured
18 Claim of Bernard and Linda Paine.

19 3.4 Class 4 (Martin Tisthammer). Class 4 consists of the Allowed Secured Claim of
20 Martin Tisthammer.

21 3.5 Class 5 (Anita and Christopher Manns). Class 5 consists of the Allowed Secured
22 Claim of Anita and Christopher Manns.

23 3.6 Class 6 (Catherine “Cate” Cushman). Class 6 consists of the Allowed Secured
24 Claim of Cate Cushman.

25 3.7 Class 7 (Hart Howerton). Class 7 consists of the Allowed Secured Claim of Hart
26 Howerton.

1 3.8 Class 8 (Hooker Creek Companies LLC). Class 8 consists of the Allowed
2 Secured claim of Hooker Creek Companies LLC.

3 3.9 Class 9 (Integrity Golf). Class 9 consists of the Allowed Secured Claim of
4 Integrity Golf.

5 3.10 Class 10 (DVA Advertising & Public Relations—“DVA”). Class 10 consists of
6 the Allowed Secured Claim of DVA

7 3.11 Class 11 (Bullivant Houser Bailey PC). Class 11 consists of the Allowed Secured
8 Claim of Bullivant Houser Bailey PC.

9 3.12 Class 12 (General Electric Capital Corporation—“GE”). Class 12 consists of the
10 Allowed Secured Claim of GE.

11 3.13 Class 13 (Textron Financial). Class 13 consists of the Allowed Unsecured Claim
12 of Textron Financial Corporation.

13 3.14 Class 14 (Western Equipment Distributors). Class 14 consists of the Allowed
14 Secured Claim of Western Equipment Distributors.

15 3.15 Class 15 (Lien Claims). Class 15 consists of the Allowed Secured Claims, if any,
16 that are secured by statutory liens against the Property to the extent such Claim is valid and
17 enforceable pursuant to Oregon law. Potentially included in Class 15 are Hooker Creek,
18 Integrity Golf, GGL Architecture, LLC, United Pipe & Supply Co., Inc. and Rain for Rent.

19 3.16 Class 16. (Kenneth Elbert). Class 16 consists of the Allowed Secured Claim of
20 Kenneth Elbert.

21 3.17 Class 17 (Rain for Rent—Frac-Tanks Inc.) Class 17 consists of the Allowed
22 Secured Claim of Rain for Rent.

23 3.18 Class 18 (United Pipe & Supply Co., Inc.) Class 18 consists of the Allowed
24 Secured Claim of United Pipe and Supply Co., Inc.

25 3.19 Class 19 (J.R. Simplot Company, dba Simplot Partners “Simplot”). Class 19
26 consists of the Allowed Secured Claim of Simplot.

1 3.20 Class 20 (Property Tax Lien Claim of Crook County, Oregon). Class 20 consists
2 of the Allowed Secured Claim of Crook County, Oregon, for real property taxes.

3 3.21 Class 21 (Property Tax Lien Claims). Class 21 consists of the Allowed Secured
4 Claims of any governmental unit for *ad valorem* property taxes or similar dispositions that are
5 secured by statutory liens on any of the Debtor's personal property.

6 3.22 Class 22 (Small Unsecured Claims.) Class 22 consists of all Allowed Small
7 Unsecured Claims.

8 3.23 Class 23 (General Unsecured Claims). Class 23 consists of all Allowed
9 Unsecured Claims not otherwise treated under the Plan.

10 3.24 Class 24 (Subordinated Claims). Class 24 consists of all Allowed Subordinated
11 Claims.

12 3.25 Class 25 (Class B and C Non Voting Membership Interests). Class 25 consists of
13 the Interests held by the Class B (Founders) and Class C (Charter) non voting Members of
14 Debtor.

15 3.26 Class 26 (Class A Voting Membership Interests). Class 26 consists of the
16 Interests held by Class A Voting Members of the Debtor.

17 **ARTICLE 4**

18 **TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS**

19 4.1 Class 1 (Priority Claims). Class 1 is unimpaired. Each holder of an Allowed
20 Class 1 Claim will be paid in full in Cash the amount of its Allowed Class 1 Claim, including
21 all interest, costs, fees and charges provided for under any agreement under which such Claim
22 arose or is otherwise allowed by law, on the later of (a) the Effective Date or (b) the date on
23 which such Claim becomes allowed, unless such holder shall agree or has agreed to a different
24 treatment of such Claim (including any different treatment that may be provided for in any
25 documentation, agreement, contract, statute, law or regulation creating and governing such
26 Claim.

1 4.2 Class 2 (Columbia State Bank). Class 2 is impaired. The Class 2 Claim will be
2 allowed in the principal amount of \$8,000,000, not including interest and fees. The Class 2
3 Claim will be altered by this Plan. The Class 2 Claim of the Bank is secured by a Trust Deed
4 on the Property, which was appraised in November 2009 by Columbia River Bank with an “as-
5 is” value of \$29,700,000. Unless the Property is sold at auction or in a foreclosure sale, the
6 Bank is fully secured, and will be paid the full amount of its Allowed Claim including interest
7 and fees on or before the five -year anniversary of the Effective Date.

8 The Debtor has a written commitment to obtain post-petition financing from Adjacent
9 Opportunity Capital, L.L.C. (“AOC”) in the form of a Bridge Loan up to the amount of
10 \$9,000,000.00 (the “Bridge Loan”). Currently, it is estimated that the Debtor will need to draw
11 approximately \$5,940,000 from the Bridge Loan. If Debtor needs to borrow more than the
12 \$5,940,000 currently budgeted, the Bridge Lender and the Bankruptcy Court must approve a
13 revised budget prior to Debtor drawing the additional proceeds. In addition, the Bridge Loan is
14 conditioned upon confirmation of a Reorganization Plan that will include a commitment for
15 constructing financing to retire the Bridge Loan and to complete Phase I of the Project. The
16 initial draw on the Construction Loan will be sufficient to retire the Bridge Loan. The Debtor
17 also has a written commitment for construction financing in an amount up to \$30,000,000.00
18 (the “Construction Loan”) from Infinity Capital & Funding, LLC, (an Arizona Limited Liability
19 Company) and its assignees (one or more insurance companies). Both the Bridge Loan and the
20 Construction Loan shall be entitled to priming liens on the Property for the full amount funded.

21 Within twenty one (21) business days of the Effective Date, the principal amount of the
22 Debtor’s obligation to the Bank will be reduced by a cash payment of \$2,000,000; the proceeds
23 to make that payment shall come from the Bridge Loan. The Bank will receive a New Note,
24 which will bear interest at four percent (4%) *per annum* paid quarterly, and which shall be fully
25 retired on or before the fifth anniversary of the Effective Date. The Bank will retain its security
26 interest in the Property; however, the Bank’s security interest will be subordinate and junior to

1 the Priming Liens which will be granted to the Bridge Lender and the Construction Lender.
2 After the Bridge Lender and the Construction Lender debt has been retired in full, eighty percent
3 (80 %) of all net lot sales will be paid to the Bank until the New Note is paid in full.

4 Reorganized Debtor will pay and perform each and all of its obligations pursuant to the
5 New Note and the existing security instruments as and when due; provided, however, that the
6 rights of the holder of this Class 2 Claim will be subject to modification or termination as
7 provided by the terms of any applicable plan, fund, agreement, contract or program. In the
8 alternative to the treatment stated above, the Bank will have the option of accepting the sum of
9 \$3,500,000, in cash, in full satisfaction of its Allowed Claim. This option, if chosen by the
10 Bank will be paid within 21 business days of the Effective Date.

11 4.3 Class 3 (Bernard and Linda Paine). Class 3 is impaired. The Class 3 Claim of the
12 Paine's in the approximate amount of \$449,990.59 is the outstanding principal balance due from
13 RR on a land sale contract secured by a trust deed on the North 880 acres of the Property. The
14 Paines' trust deed is junior in priority to the trust deed recorded by the Bank. The Class 3 Claim
15 will retain its security interest, which will be primed by the Bridge Loan, and by the subsequent
16 Construction Loan, and will be paid the full amount of its Allowed Claim pro rata from the
17 Secured Creditor Pool. The Allowed amount of the Claim will be determined in the claims
18 allowance process.

19 4.4 Class 4 (Martin Tisthammer). Class is impaired. The Class 4 Claim of Mr.
20 Tisthammer, in the approximate amount of \$173,721.58, is the outstanding balance due from RR
21 on a land sale contract secured by a trust deed on the North 880 acres of the Property. Mr.
22 Tisthammer's trust deed is junior in priority to the trust deed recorded by the Bank. The Class 4
23 Claim will retain its security interest, which will be primed by the Bridge Loan, and the
24 subsequent Construction Loan, and will be paid the full Amount of its Allowed Claim pro rata
25 from the Secured Creditor Pool. The Allowed amount of the Claim will be determined in the
26 claims allowance process.

1 4.5 Class 5 (Anita and Christopher Manns). Class 5 is impaired. The Class 5 Claim
2 of the Manns, in the amount of \$150,000.00, is secured by a junior security interest in the
3 Remainder Piece. If this Plan is confirmed, the Class 5 Claim is fully secured. The Manns will
4 retain their security interest, which will be primed by the Bridge Loan, and by the subsequent
5 Construction Loan, and will be paid the full amount of their Allowed Claim pro rata from the
6 Secured Creditor Pool. The Allowed amount of the Claim will be determined in the claims
7 allowance process.

8 4.6 Class 6 (Catherine “Cate” Cushman). Class 6 is impaired. The Class 6 Claim of
9 Ms. Cushman, in the original principal amount of \$836,500.00, is secured by two lots that are
10 part of the Property. Within twenty one business days of the Effective Date, Reorganized Debtor
11 will pay the Class 6 Claimant the sum of \$400,000, in cash, and give Ms. Cushman a promissory
12 note in the approximate sum of \$436,500.00, with interest at four percent (4%) per annum, to be
13 paid pro rata from the Secured Creditor Pool. In exchange for this payment and note Ms.
14 Cushman will reconvey whatever interest she has in the two lots which secure the Class 6 Claim.
15 The Allowed amount of the Claim will be determined in the claims allowance process.

16 4.7 Class 7 (Hart Howerton—“HH”). Class 7 is impaired. HH performed
17 architectural services for RR and claims an unpaid balance for those services in the amount of
18 \$305,210.41. HH asserts a security interest in the plans to be used for the construction of a
19 clubhouse (“Plans”). The Debtor may be in possession of the Plans. HH may elect to be treated
20 as a Secured Creditor of the Reorganized Debtor in which event the Reorganized Debtor will
21 return all HH materials in its possession to HH within twenty one days of the Effective Date and
22 HH will have an Unsecured Claim in the amount allowed by the Court following confirmation of
23 the Plan, which claim, if any, shall be paid pro rata from the Unsecured Creditor Pool. The
24 Allowed amount of the Claim will be determined in the claims allowance process.

25 4.8 Class 8 (Hooker Creek). Class 8 is impaired. The claim of Hooker Creek in the
26 amount of \$6,536,393.17 is secured by a junior deed of trust on the Remainder Piece. Unless

1 its deed of trust claim is subordinated or disallowed, in which case Hooker Creek's treatment is
2 described in Class 24, Hooker Creek will retain its junior deed of trust, which will be primed by
3 the Bridge Loan, and by any subsequent Construction Loan, and will be paid the full amount of
4 its Allowed Claim pro rata from the Secured Creditor Pool. The Allowed amount of the Claim
5 will be determined in the claims allowance process.

6 4.9 Class 9 (Integrity Golf). Class 9 is impaired. The Claim of Integrity Golf, in the
7 amount of \$2,625,013.14, is secured by a junior deed of trust on the "Remainder Piece" and by a
8 lien for preparing land for irrigation or cultivation which attached to the property. Integrity Golf
9 will retain its security interest under the junior deed of trust, which will be primed by the Bridge
10 Loan, and the Construction Loan, and will be paid the full amount of the unpaid balance of its
11 Allowed Claim pro rata from the Secured Creditor Pool. Within twenty one business days of the
12 Effective Date, Integrity Golf's Allowed Secured Claim shall be reduced by a cash payment of
13 \$300,000. The Allowed amount of the Claim will be determined in the claims allowance
14 process.

15 4.10 Class 10 (DVA Advertising & Public Relations "DVA"). Class 10 is impaired.
16 The Claim of DVA, in the principal amount of \$459,552.05, is secured by a junior deed of trust
17 on the "Remainder Piece" in the Schedules. If the Plan is confirmed, DVA is fully secured.
18 DVA will retain its security interest, which will be primed by the Bridge Loan, and by the
19 subsequent Construction Loan, and will be paid the full amount of its Allowed Claim pro rata
20 from the Secured Creditor Pool. The Allowed amount of the Claim will be determined in the
21 claims allowance process.

22 4.11 Class 11 (Bullivant Houser Bailey PC—"BHB"). Class 11 is impaired. The
23 Class 11 Claim of BHB, in the approximate amount of \$251,793.42, is secured by a 1% interest
24 in the Debtor pursuant to a pledge agreement. BHB will be paid the full amount of its Allowed
25 Claim pro rata from the Secured Creditor Pool. The Allowed amount of the Claim will be
26 determined in the claims allowance process.

1 4.12 Class 12 (General Electric Capital Corporation—“GE”). Class 12 is impaired.

2 The Class 12 Claim of GE, in the amount of \$500,000 is secured by a security interest and UCC-
3 1 Financing Statement covering equipment which RR acquired to build and maintain its planned
4 golf courses. The equipment has been surrendered to GE. GE believes that it will have a
5 deficiency when all of the equipment has been liquidated. RR believes that whatever deficiency
6 results from the sale of the equipment will not be collectable from the Reorganized Debtor
7 because GE has not liquidated its collateral in a commercially reasonable manner and will
8 continue to do so. Therefore, GE will be a General Unsecured Creditor for any deficiency
9 balance allowed by the Court and will be paid its Allowed Unsecured Claim on the same terms
10 as others in its class in full satisfaction of the alleged allowed deficiency balance, including a
11 release of the guarantors, or GE will have the option of rejecting this treatment under the Plan.
12 The Allowed amount of the Claim will be determined in the claims allowance process.

13 4.13 Class 13 (Textron Financial). Class 13 is impaired. The Class 13 Claim of

14 Textron, in the amount of \$50,000.00 was secured by a security interest and UCC-1 Financing
15 Statement covering lawn mowers and trailers which RR leased to mow the rough, fairways and
16 greens of the planned golf courses. Debtor has surrendered the equipment to Textron. Textron
17 believes that it will have a deficiency when all of the equipment has been liquidated. Textron
18 will have a General Unsecured Claim for whatever deficiency results from the liquidation of this
19 equipment. The Allowed amount of the Claim will be determined in the claims allowance
20 process.

21 4.14 Class 14 (Western Equipment Distributors). Class 14 is impaired. The Class 14

22 Claim of Western Equipment, in the approximate amount of \$58,251.00, is secured by a security
23 interest and UCC-1 Financing Statement covering equipment used to build and maintain the
24 planned golf courses. Most of the equipment has been surrendered to Western Equipment. The
25 Class 14 Claimant believes that it will have a deficiency when all of the equipment has been
26 liquidated. RR believes that whatever deficiency results from the sale of the equipment will not

1 be collectable from the Reorganized Debtor because Western Equipment has not liquidated its
2 collateral in a commercially reasonable manner and will continue to do so. Therefore, Western
3 Equipment will be a General Unsecured Creditor for any deficiency balance allowed by the
4 Court and will be paid its Allowed General Unsecured Claim on the same terms as others in its
5 class in full satisfaction of the alleged allowed deficiency balance, including a release of the
6 guarantors, or Western Equipment will have the option of rejecting this treatment under that
7 Plan. The Allowed amount of the Claim will be determined in the claims allowance process.

8 4.15 Class 15 (Lien Claims). Class 15 is impaired. Debtor believes that the only
9 Creditors potentially in this Class are Hooker Creek (\$6,536,393.17), based upon its assertion
10 that it has a valid and properly perfected Construction Lien, Integrity Golf (\$2,625,013.14),
11 based upon an asserted Landscaper's Lien, Rain for Rent (\$38,185.00), United Pipe & Supply
12 Co., Inc. (\$42,931.24) and GGL Architecture, LLC (\$45,286.50) based upon an asserted Lien for
13 Architectural Services. Integrity Golf will be paid as provided above and Rain for Rent and
14 United Pipe will be paid as provided below. If any of the other Lien Claims are determined to be
15 valid and properly perfected that Claimant will be paid the full amount of its Allowed Claim pro
16 rata from the Secured Creditor Pool. The Allowed amount of the Claims will be determined in
17 the claims allowance process.

18 4.16 Class 16 (Kenneth Elbert). Class 16 is unimpaired. The Class 16 Claim of Mr.
19 Elbert, in the principal amount of \$3,011,438.82, is the outstanding balance due on a land sale
20 contract secured by a deed of trust on a parcel of property that is not currently a part of the
21 Project; it is merely an adjoining piece of property. The Reorganized Debtor will reject the land
22 sale contract and transfer title to this property to Mr. Elbert in full satisfaction of the Class 16
23 Claim. If Mr. Elbert proves a deficiency in the claims allowance process as a result of his
24 treatment under the Plan, any awarded damages caused by the Plan treatment will be paid in full
25 as an Allowed Unsecured Claim.

1 4.17 Class 17 (Rain for Rent). Class 17 is impaired. The Class 17 Claim of Rain for
2 Rent, in the amount of \$38,185 is secured by a construction lien for the reasonable value of
3 equipment rented for use in the construction of the Wicked Pony golf course. The secured
4 amount may be disputed. The Allowed Class 17 Claim will be paid in full within 60 business
5 days after the Effective Date. The Allowed amount of the Claim will be determined in the
6 claims allowance process.

7 4.18 Class 18 (United Pipe & Supply Co., Inc.). Class 18 is impaired. The Class 18
8 Claim of United Pipe, in the approximate amount of \$42,931.24, is secured by a construction lien
9 on the Property. The Allowed Class 18 Claim will be paid in full within 60 business days after
10 the Effective Date. The Allowed amount of the Claim will be determined in the claims
11 allowance process.

12 4.19 Class 19 (J.R. Simplot Company dba Simplot Partners). Class 19 is impaired.
13 The Class 19 Claim of Simplot, in the amount of \$50,171.30, is secured by a junior Deed of
14 Trust on the Property. The Class 19 Claimant shall retain its lien, which will be primed by the
15 Bridge Loan, and by any subsequent Construction Financing, and will be paid the full amount of
16 its Allowed Claim pro rata from the Secured Creditor Pool. The Allowed amount of the Claim
17 will be determined in the claims allowance process.

18 4.20 Class 20 (Property Tax Lien Clam of Crook County, Oregon). Class 20 is
19 impaired. The Class 20 Claim of Crook County, in the amount of \$43,013.94, is secured by a
20 lien on the Property. The Class 20 Claimant shall retain this lien with the same priority to which
21 it is entitled by law. The Class 20 Claim shall be paid the full amount of its Allowed Class 19
22 Claim as permitted by 11 U.S.C. § 1129(a)(9) (D) within 30 days after the Bridge Loan is closed
23 and the proceeds are disbursed, or if no financing is obtained upon the sale of the Property.

24 4.21 Class 21 (Property Tax Lien Claims). Debtor has no creditors in Class 21.

25 4.22 Class 22 (Small Unsecured Claims). Class 22 is impaired. Each holder of a Class
26 22 Claim (creditors with a claim equal to or less than thirty thousand dollars (\$30,000.00), or that

1 elect to reduce their claim to this amount to obtain Class 21 status) will be paid in Cash an
2 amount equal to 80% of their Allowed Claims on or before twenty-one (21) days after the
3 Effective Date or the date their Claims become Allowed Claims, whichever is later. Creditors
4 may elect to reduce their Allowed Claims in order to be treated as class 21 Claimant and such
5 election shall be honored on the basis that such Claim is deemed fully paid and satisfied
6 (including any guarantor obligations) upon such election and payment under the terms hereof.
7 Any General Unsecured Claimant not wishing to have its Claim be deemed satisfied should not
8 elect to be treated as a Small Unsecured Creditor. For example, a creditor with a \$35,000 claim
9 that chooses to elect Small Unsecured Claim status will be paid as follows: \$35,000 Proof of
10 Claim will be Allowed in the amount of \$30,000 to qualify for treatment as a Small Unsecured
11 Claim. The Allowed Claim of \$30,000 will be paid 80 cents on each dollar of the Allowed
12 Claim. Therefore \$24,000 would be paid to satisfy this Small Unsecured Claim. **ANY**

13 **CREDITOR, WHETHER SECURED OR UNSECURED MAY ELECT TREATMENT**
14 **UNDER CLASS 22.**

15 4.23 Class 23 (General Unsecured Claims). Class 23 is impaired. Each holder of an
16 Allowed General Unsecured Claim will be paid the full amount of its Allowed Claim from the
17 net proceeds of lot sales after the Bridge Lender, Construction Lender, Bank and all Secured
18 Creditors are paid in full. All General Unsecured Creditors will be paid pro rata from the
19 Unsecured Creditor Pool. While General Unsecured Creditors will be paid in full, the timing of
20 the payment will depend on the timing of lot sales. Debtor intends to fully retire the Bridge Loan
21 with the Construction Loan not earlier than 6 months from the Effective Date. Debtor also
22 intends to retire the Construction Loan in mid-2013, at which time payment to creditors would
23 commence. If every claim is allowed for the maximum amount, all claims would be satisfied by
24 the end of 2014. Therefore, unsecured creditors should expect to be paid in 2014.

25 4.24 Class 24 (Subordinated Claims) Class 24 is impaired. A holder of a Claim that
26 is subordinated by the Court after notice and a hearing will be junior and subordinate to the full

1 amount of the Allowed Claims of Classes 1-23. The holder of a Subordinated Claim will be paid
2 from whatever Cash remains after all of the lots in Phase I have been sold and all outstanding
3 obligations to which Class 24 is subordinated have been paid the full amount of their Allowed
4 Claims. Debtor believes that this class includes only Hooker Creek. Hooker Creek claimed a
5 construction lien which was determined to be invalid. This claim made the filing of this
6 bankruptcy case necessary and has caused injury and increased expense to the Debtor and other
7 creditors. By asserting this invalid lien claim, which caused both delay and substantial additional
8 cost to Debtor to the detriment of its other creditors, Debtor will seek to subordinate Hooker
9 Creek's claim to all other Claims which are allowed.

10 4.25 Class 25 (Class B and Class C Non-Voting Members of Remington Ranch LLC).
11 Class 25 is impaired. All Class B and Class C existing membership interests shall be cancelled
12 and extinguished as of the Effective Date. Each Class 25 Claimant shall receive a promissory
13 note for the principal amount of their investment—which note shall accrue interest at four
14 percent (4%) per annum—and which shall be paid from the net proceeds of lot sales after Classes
15 1-23 are paid in full. In addition, Class 25 shall receive 3 percent of the net profits to be shared
16 pro rata to their original investment plus the value of their lot credits after classes 1-25 have been
17 paid in full.

18 4.26 Class 26 (Class A Voting Members of Remington Ranch LLC). Class 26 is
19 impaired. All Class A existing membership interests shall be cancelled and extinguished as of
20 the Effective Date. Those acquiring New Membership Interests pursuant to Section 6.2 of the
21 Plan shall receive ninety-seven percent (97%) of the net profits distributed after classes 1-25
22 have been paid in full.

23 **ARTICLE 5**

24 **DISPUTED CLAIMS; OBJECTIONS TO CLAIMS**

25 5.1 Disputed Claims; Objections to Claims. Only Claims that are Allowed shall be
26 entitled to distributions under the Plan. Debtor reserves the right to contest and object to any

1 Claims and previously Scheduled Amounts, including, without limitations, those Claims and
2 Scheduled Amounts that are specifically referenced herein, are not listed in the Schedules, are
3 listed therein as disputed, contingent and/or unliquidated in amount, or are listed therein at a
4 different amount than the Debtor currently believes is validly due and owing. Unless otherwise
5 order by the Bankruptcy Court, all objections to Claims and Scheduled Amounts (other than
6 Administrative Expense Claims) shall be filed and served upon counsel for Debtor and the
7 holder of the Claim objected to on or before the later of (a) thirty (30) days after the Effective
8 Date or (b) sixty (60) days after the date (if any) on which a Proof of Claim is Filed in respect
9 to a Rejection Claim or Secured Deficiency Claim. The last day for filing objections to
10 Administrative Expense Claims shall be set pursuant to a further order of the Bankruptcy Court.
11 All disputed Claims shall be resolved by the Bankruptcy Court, except to the extent that (a)
12 Debtor and Creditor otherwise agree to a different treatment consistent with the Plan and the
13 Bankruptcy Code or (b) the Bankruptcy Court may otherwise order.

14 **ARTICLE 6**

15 **MEANS FOR EXECUTION OF PLAN**

16 6.1 Reorganized Debtor. After the Confirmation Date, RR will continue as the
17 owner of the Property and the developer of the Project, subject to the requirements of this Plan,
18 as confirmed. It is anticipated that RR will change its name.

19 6.2 Ownership and Release. On the Effective Date, all Membership Interests in RR
20 then outstanding shall be terminated and cancelled. Simultaneously with such cancellation, 100
21 New Membership Interests shall be issued as follows:

22 6.2.1 Coyote Basin 80%-- Coyote Basin will receive 80 New Membership
23 Interests, at a value of \$5000 for each interest for a total of \$400,000. James M Pippin will use
24 his administrative claim and payments of the Allowed Amount of his Unsecured Claim
25 received as Plan Payments to acquire the New Membership Interests, which will be owned by
26 Coyote Basin.

1 6.2.2 DRG up to 20%--DRG will purchase 20 New Membership Interests for
2 the sum of \$100,000, to be paid in cash to Reorganized Debtor not later than ten business days
3 after the Effective Date. If DRG does not purchase at least 20 Membership interests in
4 Reorganized Debtor it will forfeit any right to ownership; however, the individual members of
5 DRG may purchase New Membership Interest in Reorganized Debtor by paying \$5000 per
6 interest in the same percentage as their individual ownership interest in the Debtor through
7 DRG. If DRG or the individual members do not exercise their option to purchase, Coyote
8 Basin shall have the option to purchase the remaining New Membership Interests for \$5000 per
9 interest.

10 6.3 Pippin Membership Interest in Reorganized Debtor. On the Effective
11 Date all interests in Debtor acquired by any person prior to the Petition Date shall be cancelled.
12 James M. Pippin, on behalf of Coyote Basin, shall use his administrative claim and payments of
13 the Allowed Amount of his Unsecured Claim received as Plan Payments to acquire the New
14 Membership Interests, which will be owned by Coyote Basin. James M. Pippin shall be the
15 Managing Member of the Reorganized Debtor.

16 6.4 Operating Agreement. Reorganized Debtor shall be deemed to have adopted a
17 Restated Operating Agreement on the Effective Date and shall promptly thereafter cause the
18 Restated Articles of Organization to be filed with the Secretary of State of the State of Oregon.
19 After the Effective Date, Reorganized Debtor may amend the Restated Articles of Organization
20 and may amend its Operating Agreement in accordance with the Restated Articles of
21 Organization, in accordance with such Operating Agreement and applicable state law.

22 6.5 Managing Member. The Principals of Remington Ranch are James M. Pippin,
23 Glenn Kotara, Mark Bocci, Lucio Dalla Gasperina, Bill Huyette and Dave Sturtevant. James
24 M. Pippin is the Managing Member. The initial Members (voting) shall be Coyote Basin and
25 DRG.

1 Following confirmation of the Plan, James Pippin will continue in his role as Managing
2 Member and will be compensated. His duties will include oversight of the entire development
3 including Phase I, sales and marketing and future phases of the Project. His compensation will
4 be \$100,000 per year, payable in 12 monthly installments, commencing on the Effective Date
5 and for a period not to exceed the life of the Plan. James Pippin will be entitled to
6 reimbursement for reasonable business expenses, but he will receive none of the customary
7 benefits provided to employees such a health insurance, life insurance or contributions to a
8 retirement plan. Christopher Pippin will continue in his role as the Project Manager. His duties
9 will include the planning, scheduling and management of the construction for the completion of
10 Phase I. His compensation will be \$150,000 per year, payable in 12 monthly installments
11 commencing January 1, 2011. Christopher Pippin will be entitled to reimbursement for
12 reasonable business expenses, and he will receive health insurance. Christopher Pippin will not
13 receive life insurance or contributions to a retirement plan.

14 6.6 Setoffs. Debtor may, but shall not be required to, set off against any Claim and
15 the distributions to be made pursuant to the Plan in respect of such Claim, any claims of any
16 nature whatsoever which Debtor may have against the holder of such Claim, but neither the
17 failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release of
18 any such claim Debtor may have against such holder.

19 6.7 Company Action. Upon entry of the Confirmation Order by the Clerk of the
20 Bankruptcy Court, all actions contemplated by the Plan shall be authorized and approved in all
21 respects (subject to the provisions of the Plan), including, without limitation, the following: (a)
22 the adoption and filing with the Secretary of State of the State of Oregon the Restated Articles
23 of Incorporation, and (b) the execution, delivery and performance of all documents and
24 agreements relating to the Plan and any of the foregoing. On the Effective Date, the appropriate
25 officers of Reorganized Debtor are authorized and directed to execute and deliver the
26

1 agreements, documents and instruments contemplated by the Plan and the Disclosure Statement
2 in the name of and on behalf of Reorganized Debtor.

3 6.8 Utility Deposit. All utilities holding a Utility Deposit shall immediately after the
4 Effective Date return or refund such Utility Deposit to Reorganized Debtor. At the sole option
5 of Reorganized Debtor, Reorganized Debtor may apply any Utility Deposit that has not been
6 refunded to Reorganized Debtor in satisfaction of any payments due or to become due from
7 Reorganized Debtor to a utility holding such a Utility Deposit.

8 6.9 Event of Default; Remedy. Any material failure by Reorganized Debtor to
9 perform any term of this Plan, which failure continues for a period of ten Business Days
10 following receipt by Reorganized Debtor of written notice of such default from the holder of an
11 Allowed Claim to whom performance is due, shall constitute an Event of Default. Upon the
12 occurrence of an Event of Default, the holder of an allowed Claim to whom performance is due
13 shall have all rights and remedies granted by law, this Plan or any agreement between the
14 holder of such claim and Debtors or Reorganized Debtor. An Event of Default with respect to
15 one claim shall not be an Event of Default with respect to any other Claim.

16 6.10 Conditions Precedent to Effectiveness of Plan. The following conditions must
17 occur and be satisfied for the Plan to become effective, notwithstanding the Effective Date:
18 Reorganized Debtor, James M. Pippin, and Christopher Pippin shall have reached an agreement
19 upon the terms of employment agreements for James Pippin and Christopher Pippin Following
20 confirmation of the Plan, James Pippin will continue in his role as Managing Member and will
21 be compensated. His duties will include oversight of the entire development including Phase I,
22 sales and marketing and future phases of the Project. His compensation will be \$100,000 per
23 year, payable in 12 monthly installments, commencing on the Effective Date and for a period
24 not to exceed the life of the Plan. James Pippin will be entitled to reimbursement for reasonable
25 business expenses, but he will receive none of the customary benefits provided to employees
26 such a health insurance, life insurance or contributions to a retirement plan. Christopher

1 Pippin will continue in his role as the Project Manager. His duties will include the planning,
2 scheduling and management of the construction for the completion of Phase I. His
3 compensation will be \$150,000 per year, payable in 12 monthly installments commencing
4 January 1, 2011. Christopher Pippin will be entitled to reimbursement for reasonable business
5 expenses, and he will receive health insurance. Christopher Pippin will not receive life
6 insurance or contributions to a retirement plan. Employment contracts will be provided prior to
7 the Confirmation Hearing for approval by the Court.

8 (a) The Bankruptcy Court shall have entered the Confirmation Order, in the
9 form and substance reasonably satisfactory to the Debtor, which shall, among other things, (i)
10 find the Plan complies with all applicable requirements of the Bankruptcy Code, (ii) decree that
11 the Confirmation Order shall supersede any court orders issued prior to the Confirmation Date
12 that may be inconsistent therewith, (iii) decree that, except as otherwise provided in the Plan or
13 Confirmation Order, all transfers of property contemplated under the Plan shall be free and clear
14 of all claims, security interests, liens, encumbrances, and other interests of holders of Claims
15 and equity interest; (iv) provide that any and all executory contracts and unexpired leases that
16 are assumed pursuant to the Plan shall remain in full force and effect for the benefit of the
17 Reorganized Debtor, in each case, notwithstanding any provision in any such contract or lease
18 or inapplicable law (including those described in Sections 365(b)(2) and (f) of the Bankruptcy
19 Code) that prohibits, restricts or conditions such transfer or that enables or requires termination
20 or modification of such contract or lease; (v) appropriate notice and opportunity for hearing has
21 been given and the injunction set forth in paragraph 8.2 of the Plan shall be valid, binding and
22 fully enforceable in any court of law.

23 (b) All documents, instruments and agreements, each in form and substance
24 satisfactory to the Debtor, provided for or necessary to implement this Plan shall have been
25 executed and delivered by the parties thereto, unless such execution or delivery has been
26 waived by the party to be benefited thereby.

1 **ARTICLE 7**

2 **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

3 7.1 Assumption or Rejection. Except as provided below, all executory contracts and
4 unexpired leases of Debtor which are not otherwise subject to a prior Bankruptcy Court order or
5 pending motion before the Bankruptcy Court are assumed by Reorganized Debtor on the
6 Effective Date. Specifically, Debtor will modify and assume the contract between Avion Water
7 Company, Brasada Ranch, RMG Development Inc. and Remington Ranch for water service
8 (“Avion Contract”).

9 Several contracts will be rejected. The contract between Kenneth Elbert and Remington
10 Ranch will be rejected. The lease/contract between GE and RR will be rejected. The contract
11 with Western Equipment will be rejected. The contract with Ford Motor Credit will be
12 rejected. The Hart Howerton Architectural Services contract will be rejected. The General
13 Construction Contract between Hooker Creek and Debtor will be rejected. To the extent that
14 the S & H Settlement Agreement creates an obligation of Debtor that contract will be rejected.
15 The agreement, if any, by which Debtor agreed to pay a portion of DRG’s legal fees to Perkins
16 Coie LLP under certain conditions that have not occurred will be rejected.

17 7.2 The Confirmation Order shall constitute an order authorizing assumption of all
18 executory contracts and unexpired leases except those otherwise specifically rejected or
19 otherwise provided for or subject to other Court Order or pending motion. Reorganized Debtor
20 shall promptly pay all amounts required under Section 365 of the Bankruptcy Code to cure any
21 defaults and assume the executory contracts and unexpired leases by performing its obligations
22 from and after the Effective Date in the ordinary course of business. In the event any payments
23 are due, the Reorganized Debtor shall make 12 equal monthly payments with interest at the rate
24 of 3.25% per annum from and after the Effective Date commencing on the 15th day of the first
25 month after the Effective Date and continuing on the same day of each month for twelve months
26 or as otherwise provided by Order of the Bankruptcy Court.

1 7.3 Assignment. To the extent necessary, all executory contracts and unexpired
2 leases shall be deemed assigned to Reorganized Debtor as of the Effective Date. The
3 Confirmation Order shall constitute an order authorizing such assignment of executory contracts
4 and unexpired leases, and no further assignment documents shall be necessary to effectuate such
5 assignment.

6 7.4 Rejection of Claims. Rejection Claims must be Filed no later than 30 days after the
7 entry of the order rejecting the executory contract or unexpired lease or 30 days after the
8 Effective Date, whichever is sooner. Any such Rejection Claim not Filed within such time
9 shall be forever barred from asserting such against Debtor, Reorganized Debtor, the Property,
10 estates, and any guarantors of such obligations. Each Rejection Claim resulting from such
11 rejection shall constitute Small or General Unsecured Claim.

12 ARTICLE 8

13 EFFECT OF CONFIRMATION

14 8.1 Debtor's Injunction. The effect of confirmation shall be as set forth in Section
15 1141 of the Bankruptcy Code. Except as otherwise provided in the Plan or in the Confirmation
16 Order, confirmation of the Plan shall act as a permanent injunction applicable to entities against
17 (a) the commencement or continuation, including the issuance or employment of process, of a
18 judicial, administrative, or other action or proceeding against Reorganized Debtor that was or
19 could have been commenced before the entry of the Confirmation Order, (b) the enforcement
20 against Reorganized Debtor or their assets of a judgment obtained before the Petition Date, and
21 (c) any act to obtain possession of or to exercise control over, or to create, perfect or enforce a
22 lien upon all or any part of the assets.

23 8.2 Continuation of Preliminary Injunction. **ANY AND ALL CREDITORS**
24 **HOLDING A CLAIM AGAINST THE DEBTOR SHALL BE TEMPORARILY**
25 **ENJOINED FROM ATTEMPTING TO COLLECTS ITS CLAIM FROM JAMES M**
26 **PIPPIN OR ANY OF HIS PROPERTY UNTIL SUCH TIME AS ALL REQUIRED**

1 **PLAN PAYMENTS HAVE BEEN MADE OR THERE IS A DEFAULT UNDER THE**
2 **PLAN THAT IS NOT CURED WITHIN 15 BUSINESS DAYS AFTER RECEIPT OF**
3 **NOTICE TO THE DEBTOR AND MR. PIPPIN.**

4 **ARTICLE 9**

5 **RETENTION OF JURISDICTION**

6 9.1 Notwithstanding the entry of the Confirmation Order, the Court shall retain
7 jurisdiction of this Chapter 11 Case pursuant to and for the purposes set forth in Section
8 1127(b) of the Bankruptcy Code. Specifically, the Court shall retain authority to perform the
9 following:

10 (a) to classify the Claim or interest of any Creditor or member, reexamine
11 Claims or Interests which have been owed for voting purposes and determine any objections
12 that may be Filed to Claims or Interests;

13 (b) to determine requests for payment of Claims entitled to priority under
14 Section 507(a)(1) of the Bankruptcy Code, including compensation and reimbursement of
15 expenses in favor of professionals employed as the expense of the Estate;

16 (c) to avoid transfers or obligations to subordinate Claims under Chapter 5 of
17 the Bankruptcy Code;

18 (d) to approve the assumption, assignment or rejection of an executory
19 contract or an unexpired lease pursuant to this Plan;

20 (e) to resolve controversies and disputes regarding the interpretation of this
21 Plan;

22 (f) to implement the provisions of this Plan and enter orders in aid of
23 confirmation;

24 (g) to adjudicate adversary proceedings and contested matters pending or
25 hereafter commenced in this Chapter 11 Case; and

26 (h) to enter a final decree closing this Chapter 11 proceeding.

ARTICLE 10

ADMINISTRATIVE PROVISIONS

10.1 Modification of Withdrawal of the Plan. Debtor may alter, amend or modify the Plan pursuant to Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 at any time prior to the time that the Bankruptcy Court has signed the Confirmation Order. After such time, and prior to the substantial consummation of the Plan, Debtor may, so long as the treatment of holders of Claims and Interests under the Plan is not adversely affected, institute proceedings in Bankruptcy Court to remedy any defect or omission or to reconcile any inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order, and any other matters a may be necessary to carry out the purposes and effects of the Plan; provided, however, that prior notice of such proceeding shall be served in accordance with Bankruptcy Rule 2002.

10.2 Revocation or Withdrawal of Plan.

10.2.1 Right to Revoke. Debtor reserves the right to revoke or withdraw the Plan at any time prior to the Effective Date.

10.2.2 Effect of Withdrawal or Revocation. If Debtor revokes or withdraws the Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against Debtor or any other Entity or to prejudice in any manner the rights of Debtor or any Entity in any further proceeding involving Debtor.

10.2.3 Nonconsensual Confirmation. Debtor shall request that the Bankruptcy Court confirm the Plan pursuant to Section 1129(b) of the Bankruptcy Code if the requirements of all provisions of Section 1129(a) of the Bankruptcy Code, except subsection 1129(a)(8), are met.

1 **ARTICLE 11**

2 **MISCELLANEOUS PROVISIONS**

3 11.1 Revesting. Except as otherwise expressly provided herein, on the Effective Date,
4 all property and assets of the estate of Debtor shall vest in Reorganized Debtor, free and clear of
5 all claims, liens encumbrances, charges and other Interests of Creditors arising on or before the
6 Effective Date, and Reorganized Debtor may operate, from and after the Effective Date, free of
7 any restrictions imposed by the Bankruptcy Code or the bankruptcy Court.

8 11.2 Rights of Action. Except as otherwise expressly provided herein, any rights or
9 causes of action (including, without limitation, any and all avoidance actions) accruing to
10 Debtor shall remain assets of Reorganized Debtor. Reorganized Debtor may pursue such rights
11 of action, as appropriate, in accordance with what is in its best interests and for its benefit.

12 11.3 Governing Law. Except to the extent the Bankruptcy Code, the Bankruptcy Rules
13 or other federal laws are applicable, the laws of the State of Oregon shall govern the
14 construction and implementation of the Plan, and all rights and obligations arising under the
15 Plan.

16 11.4 Withholding and Reporting Requirements. In connection with the Plan and all
17 instruments issued in connection therewith and distributions thereon, Debtor and Reorganized
18 Debtor shall comply with all withholding, reporting, certification and information requirements
19 imposed by any federal, state, local or foreign taxing authorities and all distributions hereunder
20 shall, to the extent applicable, be subject to any such withholding, reporting, certification and
21 information requirements. Entities entitled to receive distributions hereunder shall, as a
22 condition to receiving such distributions hereunder, provide such information and take such
23 steps as Reorganized Debtor may reasonably require to ensure compliance with such
24 withholding and reporting requirements, and to enable Reorganized Debtor to obtain the
25 certifications and information as may be necessary or appropriate to satisfy the provisions of
26 any tax law.

1 11.5 Time. Unless otherwise specified herein, in computing any period of time
2 prescribed or allowed by the Plan, the day of the act or event from which the designated period
3 begins to run shall not be included. The last day of the period so computed shall be included,
4 unless it is not a Business Day, in which event the period runs until the end of the next
5 succeeding day which is a Business Day.

6 11.6 Section 1146(c) Exemption. Pursuant to Section 1146(c) of the Bankruptcy Code,
7 the issuance, transfer or exchange of any security under the Plan, or the execution, delivery or
8 recording of an instrument of transfer pursuant to, in implementation of or as contemplated by
9 the Plan, or the revesting, transfer or sale of any real property of Debtor or Reorganized Debtor
10 pursuant to, in implementation of or as contemplated by the Plan, shall not be taxed under any
11 state or local law imposing a stamp tax, transfer tax, or similar tax or fee. Consistent with the
12 foregoing, each recorder of deeds or similar official for any city, county or governmental unit in
13 which any instrument hereunder is to be recorded shall, pursuant to the Confirmation Order, be
14 ordered and directed to accept such instrument without requiring the payment of any
15 documentary stamp tax, deed stamps, transfer tax, intangible tax or similar tax.

16 11.7 Severability. In the event that any provision of the Plan is determined to be
17 unenforceable, such determination shall not limit or affect the enforceability and operative
18 effect of any other provisions of the Plan. To the extent that any provision of the Plan would,
19 by its inclusion in the Plan, prevent or preclude the Bankruptcy court from entering the
20 Confirmation Order, the Bankruptcy Court, on the request of Debtor, may modify or amend
21 such provision, in whole or in part, as necessary to cure any defect or remove any impediment
22 to the confirmation of the Plan existing by reason of such provision.

23 11.8 Binding Effect. The provisions of the Plan shall bind Debtor, Reorganized Debtor
24 and all holders of Claims and Interests, and their respective successors, heirs and assigns.

1 11.9 Recordable Order. The Confirmation Order shall be deemed to be in recordable
2 form, and shall be accepted by any recording officer for filing and recording purposes without
3 further or additional orders, certifications or other supporting documents.

4 11.10 Plan Controls. In the event and to the extent that any provision of the Plan is
5 inconsistent with the provisions of the Disclosure Statement, or any other instrument or
6 agreement contemplated to be executed pursuant to the Plan, the provisions of the plan shall
7 control and take precedence.

8 11.11 Effectuating Documents and Further Transactions. Debtor and Reorganized
9 Debtor shall execute, deliver, file or record such contracts, instruments, assignments, and other
10 agreements or documents, and take or direct such actions, as may be necessary or appropriate to
11 effectuate and further evidence the terms and conditions of this Plan.

12 DATED this 27th day of October, 2010.

13 Respectfully submitted,

14 Remington Ranch, LLC

15 By /s/ James M. Pippin
16 James M. Pippin, Manager

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6
 7 UNITED STATES BANKRUPTCY COURT
 8 FOR THE DISTRICT OF OREGON
 9 PORTLAND DIVISION
 10

11 In re:

12 REMINGTON RANCH, LLC,
 13 Debtor.
 14

Case No. 10-30406-elp11

DEBTOR'S ~~THIRD~~ FOURTH AMENDED
 PLAN OF REORGANIZATION

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 DEBTOR'S ~~THIRD~~ FOURTH AMENDED PLAN OF REORGANIZATION

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1 Remington Ranch, LLC (“RR”), as Debtor and Debtor-in-Possession, ~~propose~~proposes
2 the following Plan of Reorganization (the “Plan”) pursuant to Section 1121(a) of Title 11 of the
3 United States Code.

4 Remington Ranch has negotiated and obtained commitments for a Bridge Loan and a
5 Construction Loan to reduce debt, to provide operating capital and complete construction of Phase
6 I. The Phase I improvements include 192 single family lots and sufficient number of overnight
7 units to allow recordation of the plat, the Wicked Pony Golf Course, the sales center (which is
8 fully constructed at present), and an extensive system of lakes and streams, along with the
9 supporting infrastructure located on approximately 770 acres in the southern portion of the
10 Property. Secured and Unsecured Creditors will be paid after the Bridge Loan and Construction
11 Loan debt are fully retired.

12 This Plan provides for the repayment of RR’s obligations to its Creditors. The Plan
13 provides for the Secured Creditor(s) to be paid, over time, the full amount of the Allowed
14 Secured Claim of each from the proceeds from lot sales as provided in Article 4. Unsecured
15 Creditors will also be paid the full amount of the Allowed Unsecured Claim of each from the
16 proceeds of lot sales as provided in Article 4.

17 If a Plan is confirmed, and construction begins in the 2011, Debtor intends for the first
18 closings of lot sales to begin in the second quarter of 2012. Apart from fluctuations in the times
19 and amounts of sales, the timing of payment to creditors will depend upon the amount of claims
20 allowed and the priority of claims. Debtor intends to fully retire the Bridge Loan with the
21 Construction Loan not earlier than 6 months from the Effective Date. Debtor also intends to
22 retire the Construction Loan by the end of 2013, at which time payment to creditors would
23 commence. If every claim is allowed for the maximum amount, all claims would be satisfied by
24 the first quarter of 2015. Therefore, unsecured creditors should expect to be paid in 2014-15.

25 A Disclosure Statement is enclosed herewith to assist you in understanding this Plan and
26 making an informed judgment concerning its terms.

ARTICLE 1

1 **DEFINITIONS**

2 Definitions of certain terms used in this Plan are set forth below. Other terms are defined
 3 in the text of this Plan or the text of the Disclosure Statement. In either case, when a defined
 4 term is used, the first letter of each word in the defined term is capitalized. Terms used and not
 5 defined in the Plan or the Disclosure Statement shall have the meanings given in the Bankruptcy
 6 Code or Bankruptcy Rules, or otherwise as the context requires. The meanings of all terms shall
 7 be equally applicable to both the singular and plural, and masculine and feminine, forms of the
 8 terms defined. The words “herein,” “hereof,” “hereto,” “hereunder,” and others of similar
 9 import, refer to the Plan as a whole and not to any particular section, subsection or clause
 10 contained in the Plan. Captions and headings to articles, sections and exhibits are inserted for
 11 convenience of reference only and are not intended to be part of or to affect the interpretation of
 12 the Plan. The rules of construction set forth in Section 102 of the Bankruptcy Code shall apply.
 13 In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy
 14 Rule 9006(a) shall apply. Any capitalized term that is not defined herein but is defined in the
 15 Bankruptcy Code shall have the meaning ascribed to such term in the Bankruptcy Code.

16 1.1 “Administrative Expense Claim” means any Claim entitled to the priority
 17 afforded by Sections 503(b) and 507(a) (1) of the Bankruptcy Code.

18 1.2 “Allowed” means, with respect to any Claim, proof of which has been properly
 19 Filed or, if no Proof of Claim was so Filed, which was or hereafter is listed on the Schedules as
 20 liquidated in amount and not disputed or contingent, and, in either case, a Claim as to which no
 21 objections to the allowance thereof, or motion to estimate for purposes of allowance, shall have
 22 been Filed on or before any applicable period of limitation that may be fixed by the Bankruptcy
 23 Code, the Bankruptcy Rules and/or the Bankruptcy Court, or as to which any objection, or any
 24 motion to estimate for purposes of allowance, shall have been so Filed, to the extent allowed by
 25 a Final Order.

26 1.3 “Allowed Secured Claim” means an Allowed Claim that is secured by a lien,
 security interest, or other charge against or interest in property in which the Debtor has an

1 interest or that is subject to setoff under Section 553 of the Bankruptcy Code, to the extent of the
2 value (as set forth in the Plan, or if no value is specified, as determined in accordance with
3 Section 506(a) of the Bankruptcy Code or, if applicable, Section 1111(b) of the Bankruptcy
4 Code) of the interest of the holder of such Claim in Debtor's interest in such property or to the
5 extent of the amount subject to setoff, as the case may be.

6 1.4 "Allowed Unsecured Claim" means an Allowed Claim that is not an Allowed
7 Secured Claim or an Allowed Administrative Expense Claim.

8 1.5 "Amended Operating Agreement" means the Operating Agreement of the
9 Reorganized Debtor, which shall modify and amend Debtor's Operating Agreement to prohibit
10 the issuance of non-voting equity securities to the extent required by Section 1123(a) (6) of the
11 Bankruptcy Code.

12 1.6 "Bankruptcy Case" means the case under Chapter 11 of the Bankruptcy Code
13 with respect to Debtor, pending in the District of Oregon, administered as *In re Remington*
14 *Ranch, LLC*, Case No. 09-30406-elp11.

15 1.7 "Bankruptcy Code" means the Bankruptcy Reform Act of 1978, as amended
16 from time to time, set forth in Sections 101 et seq. of Title 11 of the United States Code.

17 1.8 "Bankruptcy Court" means the United States Bankruptcy Court for the District of
18 Oregon, or such other court that exercises jurisdiction over the Bankruptcy Case or any
19 proceeding therein, including the United States District Court for the District of Oregon, to the
20 extent that the reference to the Bankruptcy Case or any proceeding therein is withdrawn.

21 1.9 "Bankruptcy Rules" mean collectively, the Federal Rules of Bankruptcy
22 Procedure, as amended and promulgated under Section 2075, Title 28, of the United States Code,
23 and the local rules and standing orders of the Bankruptcy Court.

24 1.10 "Bank" means Columbia State Bank.

25 1.11 "Business Day" means a day other than a Saturday, Sunday or other day on
26 which banks in Portland, Oregon are authorized or required by law to be closed.

1 1.12 “Bridge Lender” means Adjacent Opportunity Capital, L.L.C. (“AOC”), the
2 lender that has provided a commitment to provide start up and debt reduction financing up to
3 \$9,000,000 through a Bridge Loan.

4 1.13 “Bridge Loan” means post-petition financing in an amount not to exceed
5 \$9,000,000 from the Bridge Lender.

6 1.14 “Cash” means lawful currency of the United States of America.

7 1.15 “Claim” means (a) any right to payment from Debtor arising before the Effective
8 Date, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed,
9 contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or
10 (b) any right to an equitable remedy against Debtor arising before the Effective Date for breach
11 of performance if such breach gives rise to a right of payment from Debtor, whether or not such
12 right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured,
13 disputed, undisputed, secured or unsecured.

14 1.16 “Class” means one of the classes of Claims defined in Article 3 hereof.

15 1.17 “Class B Membership Interest” means Founding members that are non-voting and
16 non- equity investors.

17 1.18 “Class C Membership Interest” means Charter members who are non-voting and
18 non-equity investors.

19 1.19 “Collateral” means any property in which Debtor has an interest that is subject to
20 a lien or security interest securing the payment of an Allowed Secured Claim.

21 1.20 “Confirmation Date” means that date on which the Confirmation Order is entered
22 on the docket by the Clerk of the Bankruptcy Court.

23 1.21 “Confirmation Order” means the order of the Bankruptcy Court confirming the
24 Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code.

25 1.22 “Construction Financing” means the Construction Loan in an amount up to
26 \$30,000,000.00 from Infinity Capital & Funding, LLC, (an Arizona Limited Liability Company)
along with a consortium of insurance companies.

1 1.23 “Construction Lender” means Infinity Capital & Funding, LLC, (an Arizona
2 Limited Liability Company) along with a consortium of insurance companies.

3 1.24 “Construction Loan” means construction financing in an amount up to
4 \$30,000,000.00 from Infinity Capital & Funding, LLC, (an Arizona Limited Liability Company)
5 along with a consortium of insurance companies.

6 1.25 “Committee” means the official Unsecured Creditors Committee appointed in the
7 Chapter 11 case of *In re Remington Ranch, LLC*, by the United States Trustee pursuant to
8 Section 1102 of the Bankruptcy Code, if a Committee is appointed. To date, no Committee has
9 been appointed.

10 1.26 “Creditor” means any entity holding a Claim against Debtor.

11 1.27 “Debtor” means Remington Ranch, LLC as Debtor and Debtor-in-Possession in
12 the Bankruptcy Case.

13 1.28 “Disclosure Statement” means Debtor’s Disclosure Statement as amended,
14 modified, restated or supplemented from time to time, pertaining to the Plan.

15 1.29 “Disputed Claim” means a Claim with respect to which a Proof of Claim has
16 been timely Filed or deemed timely Filed under applicable law, and as to which an objection,
17 timely Filed, has not been withdrawn on or before the Effective Date or any date fixed for filing
18 such objections by order of the Bankruptcy Court, and has not been denied by a Final Order and
19 which Claim has not been estimated or temporarily allowed by the Bankruptcy Court on timely
20 motion by the holder of such Claim. If an objection related to the allowance of only a part of a
21 Claim has been timely Filed or deemed timely Filed, such Claim shall be a Disputed Claim only
22 to the extent of the objection.

23 1.30 “Effective Date” means the 15th day following entry of the Confirmation Order,
24 or the date upon which the first advance of the Bridge Loan is made to pay the debt reduction
25 payments, whichever is earlier.

26 1.31 “Employee Benefit Claim” means any Claim that is not otherwise classified of a
present or former employee of Debtor, or their spouses and dependents, for any employment

1 related benefit, including pension, retirement, severance, vacation, medical, disability or death
2 benefits under any plan, fund, agreement, contract or program established or entered into by
3 Debtor prior to the Petition Date.

4 1.32 “Filed” means filed with the Bankruptcy Court in the Bankruptcy Case.

5 1.33 “Final Order” means order or judgment entered on the docket by the Clerk of the
6 Bankruptcy Court or any other court exercising jurisdiction over both the subject matter and the
7 parties which has not been reversed, stayed, modified or amended and as to which the time for
8 filing a notice of appeal, or petition for certiorari or request for certiorari, or request for
9 rehearing shall have expired.

10 1.34 “Funding Date” means the funding date for the Bridge Loan.

11 1.35 “Hooker Creek” means Hooker Creek Companies LLC, as well as any affiliates,
12 subsidiaries, or parent companies of Hooker Creek Companies LLC, including but not limited to
13 Hooker Creek Asphalt and Paving.

14 1.36 “Insider” shall have the meaning ascribed to it by Section 101(31) of the
15 Bankruptcy Code.

16 1.37 “Interest” means all rights of the owners and members of RR including the issued
17 and outstanding membership interests of Debtor.

18 1.38 “Membership Interests” means all rights of the owners and members of RR
19 including the issued and outstanding membership interests of Debtor.

20 1.39 “New Membership Interests” means the 100 New Membership Interest issues by
21 Reorganized Debtor.

22 1.40 “New Note” means a new promissory note issued to Bank for \$6,000,000, which
23 will bear interest at four percent (4%) *per annum* paid quarterly, and which shall be fully retired
24 on or before the fifth anniversary of the Effective Date. The Bank will retain its security interest
25 in the Property; however, the Bank’s security interest will be subordinate and junior to the
26 Priming Lien which will be granted to the Bridge Lender and the Construction Lender. After the

1 Bridge Lender and Construction Lender debt has been retired in full, eighty percent (80%) of all
2 net lot sales will be paid to the Bank until its debt is fully retired.

3 1.41 “Other Priority Claim” means any Claim for an amount entitled to priority in right
4 of payment under Section 507(a)(3), (4), (5) or (6) of the Bankruptcy Code.

5 1.42 “Petition Date” means January 21, 2010, the date on which the petition
6 commencing this Bankruptcy Case was Filed.

7 1.43 “Phase I” means 192 single family lots, the Wicked Pony Golf Course, the sales
8 center, and an extensive system of lakes and streams, along with the supporting infrastructure
9 located on approximately 770 acres in the southern portion of the Property.

10 1.44 “Plan” means this Plan of Reorganization, as amended, modified, restated or
11 supplemented from time to time.

12 1.45 “Priority Tax Claim” means a Claim of a government unit of the kind entitled to
13 priority under Section 507(a)(8) of the Bankruptcy Code or that would otherwise be entitled to
14 priority but for the secured status of the Claim.

15 1.46 “Project” means all of the improvements to the Property consistent with the
16 entitlements previously granted by Crook County, including the golf course(s), residential lots,
17 retail buildings, and other infrastructure necessary for a destination resort.

18 1.47 “Property” means the 2080 acres of land in Powell Butte, Oregon of zoned
19 destination resort land that presently includes a fully constructed sales center and a partially
20 constructed golf course, and related infrastructure.

21 1.48 “Remainder Piece” or “Excess Property” means that portion of the Property not
22 included in Phase I.

23 1.49 “Reorganized Debtor” means Debtor from and after the Effective Date.

24 1.50 “Restated Operating Agreement” means the restated operating agreement which
25 shall modify and amend Debtor’s prior operating agreement and govern the Reorganized Debtor.

26 1.51 “RR” means Remington Ranch, LLC.

1 1.52 “Schedules” means the Schedules of Assets and Liabilities and the Statement of
2 Financial Affairs Filed by Debtor pursuant to Section 521 of the Bankruptcy Code, as amended,
3 modified, restated or supplemented from time to time.

4 1.53 “Secured Claim” means any Claim against Debtor held by any entity, including,
5 without limitation, an affiliate or judgment creditor of Debtor, to the extent such Claim
6 constitutes a secured Claim under Sections 506(1) or 1111(b) of the Bankruptcy Code.

7 1.54 “Secured Creditor Pool” means a pool funded by net proceeds from lot sales. The
8 net proceeds from lot sales will be paid into two separate creditor pools; the Secured Creditors’
9 Pool and the Unsecured Creditors’ Pool. After the Bank debt is fully retired by net lot sale
10 proceeds, the Reorganized Debtor will fund the Secured Creditors’ Pool by paying eighty
11 percent (80%) of the net lot sale proceeds. This percentage will remain in effect until the
12 Secured Creditors have been paid 75% of the Allowed Secured Claim of each. The contribution
13 to the Secured Creditors’ Pool will be reduced to fifty percent (50%) of the net lot sale proceeds
14 once the seventy five percent (75%) threshold has been reached.

15 1.55 “Small Unsecured Claims” mean Unsecured Claims that are equal to or less than
16 \$30,000 or any other creditor that chooses to reduced its Claim to obtain treatment as a Small
17 Unsecured Claim.

18 1.56 “Unsecured Claim” means an unsecured Claim that is not an Administrative
19 Claim, a Secured Claim, a Tax Claim or an Other Priority Claim.

20 1.57 “Unsecured Creditor” means a holder of an Allowable Unsecured Claim.

21 1.58 “Unsecured Creditor Pool” means a pool funded by net proceeds from lot sales.
22 The net proceeds from lot sales will be paid into two separate creditor pools; the Secured
23 Creditors’ Pool and the Unsecured Creditors’ Pool. The Reorganized Debtor will not begin
24 funding the Unsecured Creditors’ Pool (at 50% of the net lot proceeds) until the Bank has been
25 paid in full and the remainder of the Secured Creditors have been paid not less than 75% of the
26 Allowed Secured Claim of each. All General Unsecured Creditors will be paid pro rata from the
Unsecured Creditor Pool.

1 1.59 "Utility Deposits" means deposits with utilities made by Debtor after the Petition
2 Date pursuant to Section 366(b) of the Bankruptcy Code.

3 **ARTICLE 2**

4 **UNCLASSIFIED CLAIMS**

5 2.1 Administrative Expense Claims. Each holder of an Allowed Administrative
6 Expense Claim shall be paid by Debtor in full in Cash on the later of (a) the Effective Date or (b)
7 the date on which such Claim becomes Allowed, unless such holder shall agree in writing to a
8 different treatment of such Claim (including, without limitation, any different treatment that may
9 be provided for in any documentation, statute or regulation governing such Claim); provided,
10 however, that Administrative Expense Claims representing obligations incurred in the ordinary
11 course of business by Debtor during the Bankruptcy Case shall be paid by Debtor or
12 Reorganized Debtor in the ordinary course of business and in accordance with any terms and
13 conditions of the particular transaction, and any agreements relating thereto.

14 2.2 Priority Tax Claims. Each holder of an Allowed Unsecured Priority Tax Claim
15 shall be paid by Debtor on the 25th day of the first full month following the Effective Date over a
16 period ending five years from the Petition Date the full amount of its Allowed Priority Tax
17 Claim as allowed by Section 1129(a)(9)(C) and (D) in equal amortizing payments of principal
18 and interest at the rate determined under applicable non-bankruptcy law, or such other rate as
19 determined by the Bankruptcy Court.

20 2.3 Bankruptcy Fees. Fees payable by Debtor under 28 USC § 1930, or to the Clerk
21 of the Bankruptcy Court, will be paid in full in Cash on the Effective Date. After confirmation,
22 Reorganized Debtor shall continue to pay quarterly fees of the Office of the United States
23 Trustee and to file quarterly reports with the Office of the United States Trustee until this case is
24 closed by the Court, dismissed or converted except as otherwise ordered by the Court. This
25 requirement is subject to any amendments to 28 USC § 1930(a)(6) that Congress makes
26 retroactively applicable to confirmed Chapter 11 cases.

ARTICLE 3

CLASSIFICATION

For purposes of this Plan, Claims (except those treated under Article 2) are classified as provided below. A Claim is classified in a particular Class only to the extent that such Claim qualifies within the description of such Class, and is classified in a different Class to the extent that such Claim qualifies within the description of such different Class.

3.1 Class 1 (Priority Claims). Class 1 consists of all Allowed Priority Claims.

3.2 Class 2 (Columbia State Bank). Class 2 consists of the Allowed Secured Claim of Columbia State Bank.

3.3 Class 3 (Bernard and Linda Paine). Class 3 consists of the Allowed Secured Claim of Bernard and Linda Paine.

3.4 Class 4 (Martin Tisthammer). Class 4 consists of the Allowed Secured Claim of Martin Tisthammer.

3.5 Class 5 (Anita and Christopher Manns). Class 5 consists of the Allowed Secured Claim of Anita and Christopher Manns.

3.6 Class 6 (Catherine “Cate” Cushman). Class 6 consists of the Allowed Secured Claim of Cate Cushman.

3.7 Class 7 (Hart Howerton). Class 7 consists of the Allowed Secured Claim of Hart Howerton.

3.8 Class 8 (Hooker Creek Companies LLC). Class 8 consists of the Allowed Secured claim of Hooker Creek Companies LLC.

3.9 Class 9 (Integrity Golf). Class 9 consists of the Allowed Secured Claim of Integrity Golf.

3.10 Class 10 (DVA Advertising & Public Relations—“DVA”). Class 10 consists of the Allowed Secured Claim of DVA.

3.11 Class 11 (Bullivant Houser Bailey PC). Class 11 consists of the Allowed Secured Claim of Bullivant Houser Bailey PC.

1 3.12 Class 12 (General Electric Capital Corporation—“GE”). Class 12 consists of the
2 Allowed Secured Claim of GE.

3 3.13 Class 13 (Textron Financial). Class 13 consists of the Allowed Unsecured Claim
4 of Textron Financial Corporation.

5 3.14 Class 14 (Western Equipment Distributors). Class 14 consists of the Allowed
6 Secured Claim of Western Equipment Distributors.

7 3.15 Class 15 (Lien Claims). Class 15 consists of the Allowed Secured Claims, if any,
8 that are secured by statutory liens against the Property to the extent such Claim is valid and
9 enforceable pursuant to Oregon law. Potentially included in Class 15 are Hooker Creek,
10 Integrity Golf, GGL Architecture, LLC, United Pipe & Supply Co., Inc. and Rain for Rent.

11 3.16 Class 16. (Kenneth Elbert). Class 16 consists of the Allowed Secured Claim of
12 Kenneth Elbert.

13 3.17 Class 17 (Rain for Rent—Frac-Tanks Inc.) Class 17 consists of the Allowed
14 Secured Claim of Rain for Rent.

15 3.18 Class 18 (United Pipe & Supply Co., Inc.) Class 18 consists of the Allowed
16 Secured Claim of United Pipe and Supply Co., Inc.

17 3.19 Class 19 (J.R. Simplot Company, dba Simplot Partners “Simplot”). Class 19
18 consists of the Allowed Secured Claim of Simplot.

19 3.20 Class 20 (Property Tax Lien Claim of Crook County, Oregon). Class 20 consists
20 of the Allowed Secured Claim of Crook County, Oregon, for real property taxes.

21 3.21 Class 21 (Property Tax Lien Claims). Class 21 consists of the Allowed Secured
22 Claims of any governmental unit for *ad valorem* property taxes or similar dispositions that are
23 secured by statutory liens on any of the Debtor’s personal property.

24 3.22 Class 22 (Small Unsecured Claims.) Class 22 consists of all Allowed Small
25 Unsecured Claims.

26 3.23 Class 23 (General Unsecured Claims). Class 23 consists of all Allowed
Unsecured Claims not otherwise treated under the Plan.

1 3.24 Class 24 (Subordinated Claims). Class 24 consists of all Allowed Subordinated
2 Claims.

3 3.25 Class 25 (Class B and C Non Voting Membership Interests). Class 25 consists of
4 the Interests held by the Class B (Founders) and Class C (Charter) non voting Members of
5 Debtor.

6 3.26 Class 26 (Class A Voting Membership Interests). Class 26 consists of the
7 Interests held by Class A Voting Members of the Debtor.

8 **ARTICLE 4**

9 **TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS**

10 4.1 Class 1 (Priority Claims). Class 1 is unimpaired. Each holder of an Allowed
11 Class 1 Claim will be paid in full in Cash the amount of its Allowed Class 1 Claim, including
12 all interest, costs, fees and charges provided for under any agreement under which such Claim
13 arose or is otherwise allowed by law, on the later of (a) the Effective Date or (b) the date on
14 which such Claim becomes allowed, unless such holder shall agree or has agreed to a different
15 treatment of such Claim (including any different treatment that may be provided for in any
16 documentation, agreement, contract, statute, law or regulation creating and governing such
17 Claim.

18 4.2 Class 2 (Columbia State Bank). Class 2 is impaired. The Class 2 Claim will be
19 allowed in the principal amount of \$8,000,000, not including interest and fees. The Class 2
20 Claim will be altered by this Plan. The Class 2 Claim of the Bank is secured by a Trust Deed
21 on the Property, which was appraised in November 2009 by Columbia River Bank with an
22 “as-is” value of \$29,700,000. Unless the Property is sold at auction or in a foreclosure sale, the
23 Bank is fully secured, and will be paid the full amount of its Allowed Claim including interest
24 and fees on or before the five -year anniversary of the Effective Date.

25 The Debtor has a written commitment to obtain post-petition financing from Adjacent
26 Opportunity Capital, L.L.C. (“AOC”) in the form of a Bridge Loan up to the amount of
\$9,000,000.00 (the “Bridge Loan”). Currently, it is estimated that the Debtor will need to draw

1 approximately \$5,940,000 from the Bridge Loan. If Debtor needs to borrow more than the
2 \$5,940,000 currently budgeted, the Bridge Lender and the Bankruptcy Court must approve a
3 revised budget prior to Debtor drawing the additional proceeds. In addition, the Bridge Loan is
4 conditioned upon confirmation of a Reorganization Plan that will include a commitment for
5 constructing financing to retire the Bridge Loan and to complete Phase I of the Project. The
6 initial draw on the Construction Loan will be sufficient to retire the Bridge Loan. The Debtor
7 also has a written commitment for construction financing in an amount up to \$30,000,000.00
8 (the "Construction Loan") from Infinity Capital & Funding, LLC, (an Arizona Limited Liability
9 Company) and its assignees (one or more insurance companies). Both the Bridge Loan and the
10 Construction Loan shall be entitled to priming liens on the Property for the full amount funded.

11 Within twenty one (21) business days of the Effective Date, the principal amount of the
12 Debtor's obligation to the Bank will be reduced by a cash payment of \$2,000,000; the proceeds
13 to make that payment shall come from the Bridge Loan. The Bank will receive a New Note,
14 which will bear interest at four percent (4%) *per annum* paid quarterly, and which shall be fully
15 retired on or before the fifth anniversary of the Effective Date. The Bank will retain its security
16 interest in the Property; however, the Bank's security interest will be subordinate and junior to
17 the Priming Liens which will be granted to the Bridge Lender and the Construction Lender.
18 After the Bridge Lender and the Construction Lender debt has been retired in full, eighty percent
19 (80 %) of all net lot sales will be paid to the Bank until the New Note is paid in full.

20 Reorganized Debtor will pay and perform each and all of its obligations pursuant to the
21 New Note and the existing security instruments as and when due; provided, however, that the
22 rights of the holder of this Class 2 Claim will be subject to modification or termination as
23 provided by the terms of any applicable plan, fund, agreement, contract or program. In the
24 alternative to the treatment stated above, the Bank will have the option of accepting the sum of
25 \$3,500,000, in cash, in full satisfaction of its Allowed Claim. This option, if chosen by the
26 Bank will be paid within 21 business days of the Effective Date.

1 4.3 Class 3 (Bernard and Linda Paine). Class 3 is impaired. The Class 3 Claim of the
2 PainesPaine's in the approximate amount of \$449,990.59 is the outstanding principal balance
3 due from RR on a land sale contract secured by a trust deed on the North 880 acres of the
4 Property. The Paines' trust deed is junior in priority to the trust deed recorded by the Bank. The
5 Class 3 Claim will retain its security interest, which will be primed by the Bridge Loan, and by
6 the subsequent Construction Loan, and will be paid the full amount of its Allowed Claim pro rata
7 from the Secured Creditor Pool. The Allowed amount of the Claim will be determined in the
8 claims allowance process.

9 4.4 Class 4 (Martin Tisthammer). Class is impaired. The Class 4 Claim of Mr.
10 Tisthammer, in the approximate amount of \$173,721.58, is the outstanding balance due from RR
11 on a land sale contract secured by a trust deed on the North 880 acres of the Property. Mr.
12 Tisthammer's trust deed is junior in priority to the trust deed recorded by the Bank. The Class 4
13 Claim will retain its security interest, which will be primed by the Bridge Loan, and the
14 subsequent Construction Loan, and will be paid the full Amount of its Allowed Claim pro rata
15 from the Secured Creditor Pool. The Allowed amount of the Claim will be determined in the
16 claims allowance process.

17 4.5 Class 5 (Anita and Christopher Manns). Class 5 is impaired. The Class 5 Claim
18 of the Manns, in the amount of \$150,000.00, is secured by a junior security interest in the
19 Remainder Piece. If this Plan is confirmed, the Class 5 Claim is fully secured. The Manns will
20 retain their security interest, which will be primed by the Bridge Loan, and by the subsequent
21 Construction Loan, and will be paid the full amount of their Allowed Claim pro rata from the
22 Secured Creditor Pool. The Allowed amount of the Claim will be determined in the claims
23 allowance process.

24 4.6 Class 6 (Catherine "Cate" Cushman). Class 6 is impaired. The Class 6 Claim of
25 Ms. Cushman, in the original principal amount of \$836,500.00, is secured by two lots that are
26 part of the Property. Within twenty one business days of the Effective Date, Reorganized Debtor
will pay the Class 6 Claimant the sum of \$400,000, in cash, and give Ms. Cushman a promissory

1 note in the approximate sum of \$436,500.00, with interest at four percent (4%) per annum, to be
2 paid pro rata from the Secured Creditor Pool. In exchange for this payment and note Ms.
3 Cushman will reconvey whatever interest she has in the two lots which secure the Class 6 Claim.
4 The Allowed amount of the Claim will be determined in the claims allowance process.

5 4.7 Class 7 (Hart Howerton—“HH”). Class 7 is impaired. HH performed
6 architectural services for RR and claims an unpaid balance for those services in the amount of
7 \$305,210.41. HH asserts a security interest in the plans to be used for the construction of a
8 clubhouse (“Plans”). The Debtor may be in possession of the Plans. HH may elect to be treated
9 as a Secured Creditor of the Reorganized Debtor in which event the Reorganized Debtor will
10 return all HH materials in its possession to HH within twenty one days of the Effective Date and
11 HH will have an Unsecured Claim in the amount allowed by the Court following confirmation of
12 the Plan, which claim, if any, shall be paid pro rata from the Unsecured Creditor Pool. The
13 Allowed amount of the Claim will be determined in the claims allowance process.

14 4.8 Class 8 (Hooker Creek). Class 8 is impaired. The claim of Hooker Creek in the
15 amount of \$6,536,393.17 is secured by a junior deed of trust on the Remainder Piece. ~~Hooker~~
16 ~~Creek also claims a construction lien on the entire Property, but RR believes that it is invalid.~~
17 ~~An adversary proceeding to determine its validity is pending. There is a chance that the losing~~
18 ~~party of the adversary proceeding will appeal, which could delay Confirmation.~~ Unless its deed
19 of trust claim is subordinated or disallowed, in which case Hooker Creek’s treatment is described
20 in Class 24, Hooker Creek will retain its ~~security interest~~junior deed of trust, which will be
21 primed by the Bridge Loan, and by any subsequent Construction Loan, and will be paid the full
22 amount of its Allowed Claim pro rata from the Secured Creditor Pool. The Allowed amount of
23 the Claim will be determined in the claims allowance process.

24 4.9 Class 9 (Integrity Golf). Class 9 is impaired. The Claim of Integrity Golf, in the
25 amount of \$2,625,013.14, is secured by a junior deed of trust on the “Remainder Piece” and by a
26 lien for preparing land for irrigation or cultivation which attached to the property. Integrity Golf
will retain its security interest under the junior deed of trust, which will be primed by the Bridge

1 Loan, and the Construction Loan, and will be paid the full amount of the unpaid balance of its
2 Allowed Claim pro rata from the Secured Creditor Pool. Within twenty one business days of the
3 Effective Date, Integrity Golf's Allowed Secured Claim shall be reduced by a cash payment of
4 \$300,000. The Allowed amount of the Claim will be determined in the claims allowance
5 process.

6 4.10 Class 10 (DVA Advertising & Public Relations "DVA"). Class 10 is impaired.
7 The Claim of DVA, in the principal amount of \$459,552.05, is secured by a junior deed of trust
8 on the "Remainder Piece" in the Schedules. If the Plan is confirmed, DVA is fully secured.
9 DVA will retain its security interest, which will be primed by the Bridge Loan, and by the
10 subsequent Construction Loan, and will be paid the full amount of its Allowed Claim pro rata
11 from the Secured Creditor Pool. The Allowed amount of the Claim will be determined in the
12 claims allowance process.

13 4.11 Class 11 (Bullivant Houser Bailey PC—"BHB"). Class 11 is impaired. The
14 Class 11 Claim of BHB, in the approximate amount of \$251,793.42, is secured by a 1% interest
15 in the Debtor pursuant to a pledge agreement. BHB will be paid the full amount of its Allowed
16 Claim pro rata from the Secured Creditor Pool. The Allowed amount of the Claim will be
17 determined in the claims allowance process.

18 4.12 Class 12 (General Electric Capital Corporation—"GE"). Class 12 is impaired.
19 The Class 12 Claim of GE, in the amount of \$500,000 is secured by a security interest and
20 UCC-1 Financing Statement covering equipment which RR acquired to build and maintain its
21 planned golf courses. The equipment has been surrendered to GE. GE believes that it will have
22 a deficiency when all of the equipment has been liquidated. RR believes that whatever
23 deficiency results from the sale of the equipment will not be collectable from the Reorganized
24 Debtor because GE has not liquidated its collateral in a commercially reasonable manner and
25 will continue to do so. Therefore, GE will be a General Unsecured Creditor for any deficiency
26 balance allowed by the Court and will be paid its Allowed Unsecured Claim on the same terms
as others in its class in full satisfaction of the alleged allowed deficiency balance, including a

1 release of the guarantors, or GE will have the option of rejecting this treatment under the Plan.
2 The Allowed amount of the Claim will be determined in the claims allowance process.

3 4.13 Class 13 (Textron Financial). Class 13 is impaired. The Class 13 Claim of
4 Textron, in the amount of \$50,000.00 was secured by a security interest and UCC-1 Financing
5 Statement covering lawn mowers and trailers which RR leased to mow the rough, fairways and
6 greens of the planned golf courses. Debtor has ~~or will be surrendering~~surrendered the equipment
7 to Textron. Textron believes that it will have a deficiency when all of the equipment has been
8 liquidated. Textron will have a General Unsecured Claim for whatever deficiency results from
9 the liquidation of this equipment. The Allowed amount of the Claim will be determined in the
10 claims allowance process.

11 4.14 Class 14 (Western Equipment Distributors). Class 14 is impaired. The Class 14
12 Claim of Western Equipment, in the approximate amount of \$58,251.00, is secured by a security
13 interest and UCC-1 Financing Statement covering equipment used to build and maintain the
14 planned golf courses. Most of the equipment has been surrendered to Western Equipment. The
15 Class 14 Claimant believes that it will have a deficiency when all of the equipment has been
16 liquidated. RR believes that whatever deficiency results from the sale of the equipment will not
17 be collectable from the Reorganized Debtor because Western Equipment has not liquidated its
18 collateral in a commercially reasonable manner and will continue to do so. Therefore, Western
19 Equipment will be a General Unsecured Creditor for any deficiency balance allowed by the
20 Court and will be paid its Allowed General Unsecured Claim on the same terms as others in its
21 class in full satisfaction of the alleged allowed deficiency balance, including a release of the
22 guarantors, or Western Equipment will have the option of rejecting this treatment under that
23 Plan. The Allowed amount of the Claim will be determined in the claims allowance process.

24 4.15 Class 15 (Lien Claims). Class 15 is impaired. Debtor believes that the only
25 Creditors potentially in this Class are Hooker Creek (\$6,536,393.17), based upon its assertion
26 that it has a valid and properly perfected Construction Lien, Integrity Golf (\$2,625,013.14),
based upon an asserted Landscaper's Lien, Rain for Rent (\$38,185.00), United Pipe & Supply

1 Co., Inc. (\$42,931.24) and GGL Architecture, LLC (\$45,286.50) based upon an asserted Lien for
2 Architectural Services. Integrity Golf will be paid as provided above and Rain for Rent and
3 United Pipe will be paid as provided below. If any of the other Lien Claims are determined to be
4 valid and properly perfected that Claimant will be paid the full amount of its Allowed Claim pro
5 rata from the Secured Creditor Pool. The Allowed amount of the Claims will be determined in
6 the claims allowance process.

7 4.16 Class 16 (Kenneth Elbert). Class 16 is unimpaired. The Class 16 Claim of Mr.
8 Elbert, in the principal amount of \$3,011,438.82, is the outstanding balance due on a land sale
9 contract secured by a deed of trust on a parcel of property that is not currently a part of the
10 Project; it is merely an adjoining piece of property. The Reorganized Debtor will reject the land
11 sale contract and transfer title to this property to Mr. Elbert in full satisfaction of the Class 16
12 Claim. If Mr. Elbert proves a deficiency in the claims allowance process as a result of his
13 treatment under the Plan, any awarded damages caused by the Plan treatment will be paid in full
14 as an Allowed Unsecured Claim.

15 4.17 Class 17 (Rain for Rent). Class 17 is impaired. The Class 17 Claim of Rain for
16 Rent, in the amount of \$38,185 is secured by a construction lien for the reasonable value of
17 equipment rented for use in the construction of the Wicked Pony golf course. The secured
18 amount may be disputed. The Allowed Class 17 Claim will be paid in full within 60 business
19 days after the Effective Date. The Allowed amount of the Claim will be determined in the
20 claims allowance process.

21 4.18 Class 18 (United Pipe & Supply Co., Inc.). Class 18 is impaired. The Class 18
22 Claim of United Pipe, in the approximate amount of \$42,931.24, is secured by a construction lien
23 on the Property. The Allowed Class 18 Claim will be paid in full within 60 business days after
24 the Effective Date. The Allowed amount of the Claim will be determined in the claims
25 allowance process.

26 4.19 Class 19 (J.R. Simplot Company dba Simplot Partners). Class 19 is impaired.
The Class 19 Claim of Simplot, in the amount of \$50,171.30, is secured by a junior Deed of

1 Trust on the Property. The Class 19 Claimant shall retain its lien, which will be primed by the
2 Bridge Loan, and by any subsequent Construction Financing, and will be paid the full amount of
3 its Allowed Claim pro rata from the Secured Creditor Pool. The Allowed amount of the Claim
4 will be determined in the claims allowance process.

5 4.20 Class 20 (Property Tax Lien Claim of Crook County, Oregon). Class 20 is
6 impaired. The Class 20 Claim of Crook County, in the amount of \$43,013.94, is secured by a
7 lien on the Property. The Class 20 Claimant shall retain this lien with the same priority to which
8 it is entitled by law. The Class 20 Claim shall be paid the full amount of its Allowed Class 19
9 Claim as permitted by 11 U.S.C. § 1129(a)(9) (D) within 30 days after the Bridge Loan is closed
10 and the proceeds are disbursed, or if no financing is obtained upon the sale of the Property.

11 4.21 Class 21 (Property Tax Lien Claims). Debtor has no creditors in Class 21.

12 4.22 Class 22 (Small Unsecured Claims). Class 22 is impaired. Each holder of a Class
13 22 Claim (creditors with a claim equal to or less than thirty thousand dollars (\$30,000.00), or
14 that elect to reduce their claim to this amount to obtain Class 21 status) will be paid in Cash an
15 amount equal to 80% of their Allowed Claims on or before twenty-one (21) days after the
16 Effective Date or the date their Claims become Allowed Claims, whichever is later. Creditors
17 may elect to reduce their Allowed Claims in order to be treated as class 21 Claimant and such
18 election shall be honored on the basis that such Claim is deemed fully paid and satisfied
19 (including any guarantor obligations) upon such election and payment under the terms hereof.
20 Any General Unsecured Claimant not wishing to have its Claim be deemed satisfied should not
21 elect to be treated as a Small Unsecured Creditor. For example, a creditor with a \$35,000 claim
22 that chooses to elect Small Unsecured Claim status will be paid as follows: \$35,000 Proof of
23 Claim will be Allowed in the amount of \$30,000 to qualify for treatment as a Small Unsecured
24 Claim. The Allowed Claim of \$30,000 will be paid 80 cents on each dollar of the Allowed
25 Claim. Therefore \$24,000 would be paid to satisfy this Small Unsecured Claim. **ANY**
26 **CREDITOR, WHETHER SECURED OR UNSECURED MAY ELECT TREATMENT**
UNDER CLASS 22.

1 4.23 Class 23 (General Unsecured Claims). Class 23 is impaired. Each holder of an
 2 Allowed General Unsecured Claim will be paid the full amount of its Allowed Claim from the
 3 net proceeds of lot sales after the Bridge Lender, Construction Lender, Bank and all Secured
 4 Creditors are paid in full. All General Unsecured Creditors will be paid pro rata from the
 5 Unsecured Creditor Pool. While General Unsecured Creditors will be paid in full, the timing of
 6 the payment will depend on the timing of lot sales. Debtor intends to fully retire the Bridge
 7 Loan with the Construction Loan not earlier than 6 months from the Effective Date. Debtor also
 8 intends to retire the Construction Loan in mid-2013, at which time payment to creditors would
 9 commence. If every claim is allowed for the maximum amount, all claims would be satisfied by
 10 the end of 2014. Therefore, unsecured creditors should expect to be paid in 2014.

11 4.24 Class 24 (Subordinated Claims) Class 24 is impaired. A holder of a Claim that
 12 is subordinated by the Court after notice and a hearing will be junior and subordinate to the full
 13 amount of the Allowed Claims of Classes 1-23. The holder of a Subordinated Claim will be paid
 14 from whatever Cash remains after all of the lots in Phase I have been sold and all outstanding
 15 obligations to which Class 24 is subordinated have been paid the full amount of their Allowed
 16 Claims. Debtor believes that this class includes only Hooker Creek ~~because its claim of a valid,
 17 properly perfected construction lien is false.~~ Hooker Creek claimed a construction lien which
 18 was determined to be invalid. This claim made the filing of this bankruptcy case necessary and
 19 has caused injury and increased expense to the Debtor and other creditors. By asserting this
 20 invalid lien claim, which caused both delay and substantial additional cost to Debtor to the
 21 detriment of its other creditors. Debtor will seek to subordinate Hooker Creek's claim to all other
 22 Claims which are allowed.

23 4.25 Class 25 (Class B and Class C Non-Voting Members of Remington Ranch LLC).
 24 Class 25 is impaired. All Class B and Class C existing membership interests shall be cancelled
 25 and extinguished as of the Effective Date. Each Class 25 Claimant shall receive a promissory
 26 note for the principal amount of their investment—which note shall accrue interest at four
 percent (4%) per annum—and which shall be paid from the net proceeds of lot sales after

1 Classes 1-23 are paid in full. In addition, Class 25 shall receive 3 percent of the net profits to
2 be shared pro rata to their original investment plus the value of their lot credits after classes 1-25
3 have been paid in full.

4 4.26 Class 26 (Class A Voting Members of Remington Ranch LLC). Class 26 is
5 impaired. All Class A existing membership interests shall be cancelled and extinguished as of
6 the Effective Date. Those acquiring New Membership Interests pursuant to Section 6.2 of the
7 Plan shall receive ninety-seven percent (97%) of the net profits distributed after classes 1-25
8 have been paid in full.

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12 **ARTICLE 5**

13 **DISPUTED CLAIMS; OBJECTIONS TO CLAIMS**

14 5.1 Disputed Claims; Objections to Claims. Only Claims that are Allowed shall be
15 entitled to distributions under the Plan. Debtor reserves the right to contest and object to any
16 Claims and previously Scheduled Amounts, including, without limitations, those Claims and
17 Scheduled Amounts that are specifically referenced herein, are not listed in the Schedules, are
18 listed therein as disputed, contingent and/or unliquidated in amount, or are listed therein at a
19 different amount than the Debtor currently believes is validly due and owing. Unless otherwise
20 order by the Bankruptcy Court, all objections to Claims and Scheduled Amounts (other than
21 Administrative Expense Claims) shall be filed and served upon counsel for Debtor and the
22 holder of the Claim objected to on or before the later of (a) thirty (30) days after the Effective
23 Date or (b) sixty (60) days after the date (if any) on which a Proof of Claim is Filed in respect
24 to a Rejection Claim or Secured Deficiency Claim. The last day for filing objections to
25 Administrative Expense Claims shall be set pursuant to a further order of the Bankruptcy Court.
26 All disputed Claims shall be resolved by the Bankruptcy Court, except to the extent that (a)

1 Debtor and Creditor otherwise agree to a different treatment consistent with the Plan and the
2 Bankruptcy Code or (b) the Bankruptcy Court may otherwise order.

3 **ARTICLE 6**

4 **MEANS FOR EXECUTION OF PLAN**

5 6.1 Reorganized Debtor. After the Confirmation Date, RR will continue as the
6 owner of the Property and the developer of the Project, subject to the requirements of this Plan,
7 as confirmed. It is anticipated that RR will change its name.

8 6.2 Ownership and Release. On the Effective Date, all Membership Interests in RR
9 then outstanding shall be terminated and cancelled. Simultaneously with such cancellation, 100
10 New Membership Interests shall be issued as follows:

11 6.2.1 Coyote Basin 80%-- Coyote Basin will receive 80 New Membership
12 Interests, at a value of \$5000 for each interest for a total of \$400,000. James M Pippin will
13 ~~reduce the cumulative amount of~~ use his administrative claim and ~~his unsecured claim by~~
14 ~~\$400,000 in exchange for~~ payments of the Allowed Amount of his Unsecured Claim received as
15 Plan Payments to acquire the New Membership ~~Interest of~~ Interests, which will be owned by
16 Coyote Basin.

17 6.2.2 DRG up to 20%--DRG will purchase 20 New Membership Interests for
18 the sum of \$100,000, to be paid in cash to Reorganized Debtor not later than ten business days
19 after the Effective Date. If DRG does not purchase at least 20 Membership interests in
20 Reorganized Debtor it will forfeit any right to ownership; however, the individual members of
21 DRG may purchase New Membership Interest in Reorganized Debtor by paying \$5000 per
22 interest in the same percentage as their individual ownership interest in the Debtor through
23 DRG. If DRG or the individual members do not exercise their option to purchase, Coyote
24 Basin shall have the option to purchase the remaining New Membership Interests for \$5000 per
25 interest.

26 6.3 Pippin Membership Interest in Reorganized Debtor. On the Effective
Date all interests in Debtor acquired by any person prior to the Petition Date shall be cancelled-

1 ~~and simultaneously James M. Pippin shall be issued one Membership interest in Reorganized~~
2 ~~Debtor for each \$500,000 of Mr. Pippin's post-petition Administrative Expense Claim and~~
3 ~~Allowed General.~~ James M. Pippin, on behalf of Coyote Basin, shall use his administrative
4 claim and payments of the Allowed Amount of his Unsecured Claim received as Plan Payments
5 to acquire the New Membership Interests, which will be owned by Coyote Basin. James M.
6 Pippin shall be the Managing Member of the Reorganized Debtor.

7 6.4 Operating Agreement. Reorganized Debtor shall be deemed to have adopted a
8 Restated Operating Agreement on the Effective Date and shall promptly thereafter cause the
9 Restated Articles of Organization to be filed with the Secretary of State of the State of Oregon.
10 After the Effective Date, Reorganized Debtor may amend the Restated Articles of Organization
11 and may amend its Operating Agreement in accordance with the Restated Articles of
12 Organization, in accordance with such Operating Agreement and applicable state law.

13 6.5 Managing Member. The Principals of Remington Ranch are James M. Pippin,
14 Glenn Kotara, Mark Bocci, Lucio Dalla Gasperina, Bill Huyette and Dave
15 ~~Sturdivant~~Sturtevant. James M. Pippin is the Managing Member. The initial Members (voting)
16 shall be Coyote Basin and DRG.

17 Following confirmation of the Plan, James Pippin will continue in his role as Managing
18 Member and will be compensated. His duties will include oversight of the entire development
19 including Phase I, sales and marketing and future phases of the Project. His compensation will
20 be \$100,000 per year, payable in 12 monthly installments, commencing on the Effective Date
21 and for a period not to exceed the life of the Plan. James Pippin will be entitled to
22 reimbursement for reasonable business expenses, but he will receive none of the customary
23 benefits provided to employees such a health insurance, life insurance or contributions to a
24 retirement plan. Christopher Pippin will continue in his role as the Project Manager. His duties
25 will include the planning, scheduling and management of the construction for the completion of
26 Phase I. His compensation will be \$150,000 per year, payable in 12 monthly installments
commencing January 1, 2011. Christopher Pippin will be entitled to reimbursement for

1 reasonable business expenses, and he will receive health insurance. Christopher Pippin will not
2 receive life insurance or contributions to a retirement plan.

3 6.6 Setoffs. Debtor may, but shall not be required to, set off against any Claim and
4 the distributions to be made pursuant to the Plan in respect of such Claim, any claims of any
5 nature whatsoever which Debtor may have against the holder of such Claim, but neither the
6 failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release of
7 any such claim Debtor may have against such holder.

8 6.7 Company Action. Upon entry of the Confirmation Order by the Clerk of the
9 Bankruptcy Court, all actions contemplated by the Plan shall be authorized and approved in all
10 respects (subject to the provisions of the Plan), including, without limitation, the following: (a)
11 the adoption and filing with the Secretary of State of the State of Oregon the Restated Articles
12 of Incorporation, and (b) the execution, delivery and performance of all documents and
13 agreements relating to the Plan and any of the foregoing. On the Effective Date, the
14 appropriate officers of Reorganized Debtor are authorized and directed to execute and deliver
15 the agreements, documents and instruments contemplated by the Plan and the Disclosure
16 Statement in the name of and on behalf of Reorganized Debtor.

17 6.8 Utility Deposit. All utilities holding a Utility Deposit shall immediately after the
18 Effective Date return or refund such Utility Deposit to Reorganized Debtor. At the sole option
19 of Reorganized Debtor, Reorganized Debtor may apply any Utility Deposit that has not been
20 refunded to Reorganized Debtor in satisfaction of any payments due or to become due from
21 Reorganized Debtor to a utility holding such a Utility Deposit.

22 6.9 Event of Default; Remedy. Any material failure by Reorganized Debtor to
23 perform any term of this Plan, which failure continues for a period of ten Business Days
24 following receipt by Reorganized Debtor of written notice of such default from the holder of an
25 Allowed Claim to whom performance is due, shall constitute an Event of Default. Upon the
26 occurrence of an Event of Default, the holder of an allowed Claim to whom performance is due
shall have all rights and remedies granted by law, this Plan or any agreement between the

1 holder of such claim and Debtors or Reorganized Debtor. An Event of Default with respect to
2 one claim shall not be an Event of Default with respect to any other Claim.

3 6.10 Conditions Precedent to Effectiveness of Plan. The following conditions must
4 occur and be satisfied for the Plan to become effective, notwithstanding the Effective Date:
5 Reorganized Debtor, James M. Pippin, and Christopher Pippin shall have reached an agreement
6 upon the terms of employment agreements for James Pippin and Christopher Pippin Following
7 confirmation of the Plan, James Pippin will continue in his role as Managing Member and will
8 be compensated. His duties will include oversight of the entire development including Phase I,
9 sales and marketing and future phases of the Project. His compensation will be \$100,000 per
10 year, payable in 12 monthly installments, commencing on the Effective Date and for a period
11 not to exceed the life of the Plan. James Pippin will be entitled to reimbursement for
12 reasonable business expenses, but he will receive none of the customary benefits provided to
13 employees such a health insurance, life insurance or contributions to a retirement plan.
14 Christopher Pippin will continue in his role as the Project Manager. His duties will include the
15 planning, scheduling and management of the construction for the completion of Phase I. His
16 compensation will be \$150,000 per year, payable in 12 monthly installments commencing
17 January 1, 2011. Christopher Pippin will be entitled to reimbursement for reasonable business
18 expenses, and he will receive health insurance. Christopher Pippin will not receive life
19 insurance or contributions to a retirement plan. Employment contracts will be provided prior to
20 the Confirmation Hearing for approval by the Court.

21 (a) The Bankruptcy Court shall have entered the Confirmation Order,
22 in the form and substance reasonably satisfactory to the Debtor, which shall, among other
23 things, (i) find the Plan complies with all applicable requirements of the Bankruptcy Code, (ii)
24 decree that the Confirmation Order shall supersede any court orders issued prior to the
25 Confirmation Date that may be inconsistent therewith, (iii) decree that, except as otherwise
26 provided in the Plan or Confirmation Order, all transfers of property contemplated under the
Plan shall be free an clear of all claims, security interests, liens, encumbrances, and other

1 interests of holders of Claims and equity interest; (iv) provide that any and all executory
2 contracts and unexpired leases that are assumed pursuant to the Plan shall remain in full force
3 and effect for the benefit of the Reorganized Debtor, in each case, notwithstanding any
4 provision in any such contract or lease or inapplicable law (including those described in
5 Sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts or conditions such
6 transfer or that enables or requires termination or modification of such contract or lease; (v)
7 appropriate notice and opportunity for hearing has been given and the injunction set forth in
8 paragraph 8.2 of the Plan shall be valid, binding and fully enforceable in any court of law.

9 (b) All documents, instruments and agreements, each in form and
10 substance satisfactory to the Debtor, provided for or necessary to implement this Plan shall
11 have been executed and delivered by the parties thereto, unless such execution or delivery has
12 been waived by the party to be benefited thereby.

13 **ARTICLE 7**

14 **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

15 7.1 Assumption or Rejection. Except as provided below, all executory contracts and
16 unexpired leases of Debtor which are not otherwise subject to a prior Bankruptcy Court order
17 or pending motion before the Bankruptcy Court are assumed by Reorganized Debtor on the
18 Effective Date. Specifically, Debtor will modify and assume the contract between Avion Water
19 Company, Brasada Ranch, RMG Development Inc. and Remington Ranch for water service
20 (“Avion Contract”).

21 Several contracts will be rejected. The contract between Kenneth Elbert and Remington
22 Ranch will be rejected. The lease/contract between GE and RR will be rejected. The contract
23 with Western Equipment will be rejected. The contract with Ford Motor Credit will be
24 rejected. The Hart Howerton Architectural Services contract will be rejected. The General
25 Construction Contract between Hooker Creek and Debtor will be rejected. To the extent that
26 the S & H Settlement Agreement creates an obligation of Debtor that contract will be rejected.

1 The agreement, if any, by which Debtor agreed to pay a portion of DRG's legal fees to Perkins
2 Coie LLP under certain conditions that have not occurred will be rejected.

3 7.2 The Confirmation Order shall constitute an order authorizing assumption of all
4 executory contracts and unexpired leases except those otherwise specifically rejected or
5 otherwise provided for or subject to other Court Order or pending motion. Reorganized Debtor
6 shall promptly pay all amounts required under Section 365 of the Bankruptcy Code to cure any
7 defaults and assume the executory contracts and unexpired leases by performing its obligations
8 from and after the Effective Date in the ordinary course of business. In the event any payments
9 are due, the Reorganized Debtor shall make 12 equal monthly payments with interest at the rate
10 of 3.25% per annum from and after the Effective Date commencing on the 15th day of the first
11 month after the Effective Date and continuing on the same day of each month for twelve months
12 or as otherwise provided by Order of the Bankruptcy Court.

13 7.3 Assignment. To the extent necessary, all executory contracts and unexpired
14 leases shall be deemed assigned to Reorganized Debtor as of the Effective Date. The
15 Confirmation Order shall constitute an order authorizing such assignment of executory contracts
16 and unexpired leases, and no further assignment documents shall be necessary to effectuate such
17 assignment.

18 7.4 Rejection of Claims. Rejection Claims must be Filed no later than 30 days after
19 the entry of the order rejecting the executory contract or unexpired lease or 30 days after the
20 Effective Date, whichever is sooner. Any such Rejection Claim not Filed within such time
21 shall be forever barred from asserting such against Debtor, Reorganized Debtor, the Property,
22 estates, and any guarantors of such obligations. Each Rejection Claim resulting from such
23 rejection shall constitute Small or General Unsecured Claim.

24 **ARTICLE 8**

25 **EFFECT OF CONFIRMATION**

26 8.1 Debtor's Injunction. The effect of confirmation shall be as set forth in Section
1141 of the Bankruptcy Code. Except as otherwise provided in the Plan or in the Confirmation

1 Order, confirmation of the Plan shall act as a permanent injunction applicable to entities against
2 (a) the commencement or continuation, including the issuance or employment of process, of a
3 judicial, administrative, or other action or proceeding against Reorganized Debtor that was or
4 could have been commenced before the entry of the Confirmation Order, (b) the enforcement
5 against Reorganized Debtor or their assets of a judgment obtained before the Petition Date, and
6 (c) any act to obtain possession of or to exercise control over, or to create, perfect or enforce a
7 lien upon all or any part of the assets.

8 8.2 Continuation of Preliminary Injunction. **ANY AND ALL CREDITORS**
9 **HOLDING A CLAIM AGAINST THE DEBTOR SHALL BE TEMPORARILY**
10 **ENJOINED FROM ATTEMPTING TO COLLECTS ITS CLAIM FROM JAMES M**
11 **PIPPIN OR ANY OF HIS PROPERTY UNTIL SUCH TIME AS ALL REQUIRED**
12 **PLAN PAYMENTS HAVE BEEN MADE OR THERE IS A DEFAULT UNDER THE**
13 **PLAN THAT IS NOT CURED WITHIN 15 BUSINESS DAYS AFTER RECEIPT OF**
14 **NOTICE TO THE DEBTOR AND MR. PIPPIN.**

15 **ARTICLE 9**

16 **RETENTION OF JURISDICTION**

17 9.1 Notwithstanding the entry of the Confirmation Order, the Court shall retain
18 jurisdiction of this Chapter 11 Case pursuant to and for the purposes set forth in Section
19 1127(b) of the Bankruptcy Code. Specifically, the Court shall retain authority to perform the
20 following:

21 (a) to classify the Claim or interest of any Creditor or member, reexamine
22 Claims or Interests which have been owed for voting purposes and determine any objections
23 that may be Filed to Claims or Interests;

24 (b) to determine requests for payment of Claims entitled to priority under
25 Section 507(a)(1) of the Bankruptcy Code, including compensation and reimbursement of
26 expenses in favor of professionals employed as the expense of the Estate;

1 (c) to avoid transfers or obligations to subordinate Claims under Chapter 5 of
2 the Bankruptcy Code;

3 (d) to approve the assumption, assignment or rejection of an executory
4 contract or an unexpired lease pursuant to this Plan;

5 (e) to resolve controversies and disputes regarding the interpretation of this
6 Plan;

7 (f) to implement the provisions of this Plan and enter orders in aid of
8 confirmation;

9 (g) to adjudicate adversary proceedings and contested matters pending or
10 hereafter commenced in this Chapter 11 Case; and

11 (h) to enter a final decree closing this Chapter 11 proceeding.

12 **ARTICLE 10**

13 **ADMINISTRATIVE PROVISIONS**

14 10.1 Modification of Withdrawal of the Plan. Debtor may alter, amend or modify the
15 Plan pursuant to Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 at any time
16 prior to the time that the Bankruptcy Court has signed the Confirmation Order. After such
17 time, and prior to the substantial consummation of the Plan, Debtor may, so long as the
18 treatment of holders of Claims and Interests under the Plan is not adversely affected, institute
19 proceedings in Bankruptcy Court to remedy any defect or omission or to reconcile any
20 inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order, and any other
21 matters a may be necessary to carry out the purposes and effects of the Plan; provided,
22 however, that prior notice of such proceeding shall be served in accordance with Bankruptcy
23 Rule 2002.

24 10.2 Revocation or Withdrawal of Plan.

25 10.2.1 Right to Revoke. Debtor reserves the right to revoke or withdraw the Plan
26 at any time prior to the Effective Date.

1 10.2.2 Effect of Withdrawal or Revocation. If Debtor revokes or withdraws the
2 Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to
3 constitute a waiver or release of any claims by or against Debtor or any other Entity or to
4 prejudice in any manner the rights of Debtor or any Entity in any further proceeding involving
5 Debtor.

6 10.2.3 Nonconsensual Confirmation. Debtor shall request that the Bankruptcy
7 Court confirm the Plan pursuant to Section 1129(b) of the Bankruptcy Code if the requirements
8 of all provisions of Section 1129(a) of the Bankruptcy Code, except subsection 1129(a)(8), are
9 met.

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11 ∟
12 ∟

13 **ARTICLE 11**

14 **MISCELLANEOUS PROVISIONS**

15 11.1 Revesting. Except as otherwise expressly provided herein, on the Effective Date,
16 all property and assets of the estate of Debtor shall vest in Reorganized Debtor, free and clear
17 of all claims, liens encumbrances, charges and other Interests of Creditors arising on or before
18 the Effective Date, and Reorganized Debtor may operate, from and after the Effective Date,
19 free of any restrictions imposed by the Bankruptcy Code or the bankruptcy Court.

20 11.2 Rights of Action. Except as otherwise expressly provided herein, any rights or
21 causes of action (including, without limitation, any and all avoidance actions) accruing to
22 Debtor shall remain assets of Reorganized Debtor. Reorganized Debtor may pursue such rights
23 of action, as appropriate, in accordance with what is in its best interests and for its benefit.

24 11.3 Governing Law. Except to the extent the Bankruptcy Code, the Bankruptcy Rules
25 or other federal laws are applicable, the laws of the State of Oregon shall govern the
26 construction and implementation of the Plan, and all rights and obligations arising under the
Plan.

1 11.4 Withholding and Reporting Requirements. In connection with the Plan and all
2 instruments issued in connection therewith and distributions thereon, Debtor and Reorganized
3 Debtor shall comply with all withholding, reporting, certification and information requirements
4 imposed by any federal, state, local or foreign taxing authorities and all distributions hereunder
5 shall, to the extent applicable, be subject to any such withholding, reporting, certification and
6 information requirements. Entities entitled to receive distributions hereunder shall, as a
7 condition to receiving such distributions hereunder, provide such information and take such
8 steps as Reorganized Debtor may reasonably require to ensure compliance with such
9 withholding and reporting requirements, and to enable Reorganized Debtor to obtain the
10 certifications and information as may be necessary or appropriate to satisfy the provisions of
11 any tax law.

12 11.5 Time. Unless otherwise specified herein, in computing any period of time
13 prescribed or allowed by the Plan, the day of the act or event from which the designated period
14 begins to run shall not be included. The last day of the period so computed shall be included,
15 unless it is not a Business Day, in which event the period runs until the end of the next
16 succeeding day which is a Business Day.

17 11.6 Section 1146(c) Exemption. Pursuant to Section 1146(c) of the Bankruptcy Code,
18 the issuance, transfer or exchange of any security under the Plan, or the execution, delivery or
19 recording of an instrument of transfer pursuant to, in implementation of or as contemplated by
20 the Plan, or the revesting, transfer or sale of any real property of Debtor or Reorganized Debtor
21 pursuant to, in implementation of or as contemplated by the Plan, shall not be taxed under any
22 state or local law imposing a stamp tax, transfer tax, or similar tax or fee. Consistent with the
23 foregoing, each recorder of deeds or similar official for any city, county or governmental unit in
24 which any instrument hereunder is to be recorded shall, pursuant to the Confirmation Order, be
25 ordered and directed to accept such instrument without requiring the payment of any
26 documentary stamp tax, deed stamps, transfer tax, intangible tax or similar tax.

1 11.7 Severability. In the event that any provision of the Plan is determined to be
2 unenforceable, such determination shall not limit or affect the enforceability and operative
3 effect of any other provisions of the Plan. To the extent that any provision of the Plan would,
4 by its inclusion in the Plan, prevent or preclude the Bankruptcy court from entering the
5 Confirmation Order, the Bankruptcy Court, on the request of Debtor, may modify or amend
6 such provision, in whole or in part, as necessary to cure any defect or remove any impediment
7 to the confirmation of the Plan existing by reason of such provision.

8 11.8 Binding Effect. The provisions of the Plan shall bind Debtor, Reorganized
9 Debtor and all holders of Claims and Interests, and their respective successors, heirs and
10 assigns.

11 11.9 Recordable Order. The Confirmation Order shall be deemed to be in recordable
12 form, and shall be accepted by any recording officer for filing and recording purposes without
13 further or additional orders, certifications or other supporting documents.

14 11.10 Plan Controls. In the event and to the extent that any provision of the Plan is
15 inconsistent with the provisions of the Disclosure Statement, or any other instrument or
16 agreement contemplated to be executed pursuant to the Plan, the provisions of the plan shall
17 control and take precedence.

18 11.11 Effectuating Documents and Further Transactions. Debtor and Reorganized
19 Debtor shall execute, deliver, file or record such contracts, instruments, assignments, and other
20 agreements or documents, and take or direct such actions, as may be necessary or appropriate to
21 effectuate and further evidence the terms and conditions of this Plan.

22 DATED this ~~26~~²⁷th day of ~~August~~^{October}, 2010.

23 Respectfully submitted,

24 Remington Ranch, LLC

25 By /s/ James M. Pippin
26 James M. Pippin, Manager

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