

B1 (Official Form 1)(1/08)

United States Bankruptcy Court District of Oregon		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): Redhills Development Company, LLC		Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all) 36-4505968		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)
Street Address of Debtor (No. and Street, City, and State): 16350 Hillsboro Way Newberg, OR		Street Address of Joint Debtor (No. and Street, City, and State):
ZIP Code 97132		ZIP Code
County of Residence or of the Principal Place of Business: Yamhill		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):		Mailing Address of Joint Debtor (if different from street address):
ZIP Code		ZIP Code
Location of Principal Assets of Business Debtor (if different from street address above): Lane County OR		
Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE IS FOR COURT USE ONLY
Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER 100,000		
Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		
Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$50 million <input type="checkbox"/> \$10,000,001 to \$100 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		

<p>Voluntary Petition</p> <p><i>(This page must be completed and filed in every case)</i></p>	<p>Name of Debtor(s): Redhills Development Company, LLC</p>
--	--

All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)

Location Where Filed: - None -	Case Number:	Date Filed:
Location Where Filed:	Case Number:	Date Filed:

Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)

Name of Debtor: - None -	Case Number:	Date Filed:
District:	Relationship:	Judge:

<p style="text-align: center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>	<p style="text-align: center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).</p> <p>X _____ Signature of Attorney for Debtor(s) (Date)</p>
---	--

Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

Yes, and Exhibit C is attached and made a part of this petition.

No.

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

Information Regarding the Debtor - Venue

(Check any applicable box)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property

(Check all applicable boxes)

Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

(Name of landlord that obtained judgment)

(Address of landlord)

Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

<p>Voluntary Petition</p> <p><i>(This page must be completed and filed in every case)</i></p>	<p>Name of Debtor(s): Redhills Development Company, LLC</p>
Signatures	
<p style="text-align: center;">Signature(s) of Debtor(s) (Individual/Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____ Signature of Debtor</p> <p>X _____ Signature of Joint Debtor</p> <p>_____ Telephone Number (If not represented by attorney)</p> <p>_____ Date</p>	<p style="text-align: center;">Signature of a Foreign Representative</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p>X _____ Signature of Foreign Representative</p> <p>_____ Printed Name of Foreign Representative</p> <p>_____ Date</p>
<p style="text-align: center;">Signature of Attorney*</p> <p>X <u>/s/ James K. Hein</u> Signature of Attorney for Debtor(s)</p> <p><u>James K. Hein OSB#054621</u> Printed Name of Attorney for Debtor(s)</p> <p><u>Tonkon Torp LLP</u> Firm Name</p> <p>1600 Pioneer Tower 888 SW Fifth Ave Portland, OR 97204-2099</p> <p>_____ Address</p> <p><u>503-221-1440 Fax: 503-274-8779</u> Telephone Number</p> <p><u>April 12, 2010</u> Date</p> <p><small>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</small></p>	<p style="text-align: center;">Signature of Non-Attorney Bankruptcy Petition Preparer</p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.</p> <p>_____ Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____ Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)(Required by 11 U.S.C. § 110.)</p> <p>_____ Address</p> <p>X _____ Date</p> <p>Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.</p> <p>Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:</p> <p>_____ If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><small>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.</small></p>
<p style="text-align: center;">Signature of Debtor (Corporation/Partnership)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X <u>/s/ Michael Raine</u> Signature of Authorized Individual</p> <p><u>Michael Raine</u> Printed Name of Authorized Individual</p> <p><u>Shareholder</u> Title of Authorized Individual</p> <p><u>April 12, 2010</u> Date</p>	

UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re) Case No. _____
Redhills Development Company, LLC)

EXHIBIT "C-1"

Debtor(s)) [NOTE: Must be FULLY completed by ALL debtors
) and attached to ALL copies of the Petition.]

(NOTE: You must answer ALL questions. Attach additional sheets if necessary. Use of "UNKNOWN" is NOT acceptable!)

1. DESCRIBE ASSETS REQUIRING TRUSTEE'S IMMEDIATE ATTENTION:
NONE

2. Street address and description of principal assets (note property):
16350 Hillsboro Way
Newberg OR 97132-0000

3. The BANKRUPTCY DOCUMENT PREPARER DECLARATION below has been completed for any person who helped, for compensation, prepare any of the bankruptcy papers if the debtor does not have an attorney.

I declare under penalty of perjury that the above information provided in this Exhibit "C-1" is true and correct.

DATE: April 12, 2010 /s/ Michael Raine (503) 267-9567
Debtor's Signature Phone # Joint Debtor's Signature

BANKRUPTCY DOCUMENT PREPARER DECLARATION

I, the undersigned, declare under penalty of perjury that (1) neither I, nor anyone else listed herein, collected or received any payment from or on behalf of the debtor for court fees in connection with filing the petition; (2) I have received \$_____ from or on behalf of the debtor within the previous 12 month period; (3) \$_____ is the unpaid fee charged to the debtor; and (4) the following is true and accurate about myself and any other assistants:

Individual Name and Firm (Type or Print): _____

Address (Type or Print): _____

Last 4 digits of Social Security Number of all OTHER individuals who prepared or assisted in the preparation of these bankruptcy documents: _____

Signature: _____ Last 4 digits of Social Security #: _____ Phone #: _____

[NOTE: Penalties up to \$500 per item may be assessed for omission of any required information (11 USC §110; 18 USC §156) and Fed. Bankruptcy Rule 1006 prohibits further payment to any person for services until the court filing fees are paid in full.]

EXHIBIT C-1 (8/8/08)

1 **Timothy J. Conway**, OSB No. 851752
Direct Dial: (503) 802-2027
2 Facsimile: (503) 972-3727
E-Mail: tim.conway@tonkon.com

3 **James K. Hein**, OSB No. 054621
Direct Dial: (503) 802-2129
4 Facsimile: (503) 972-3829
E-Mail: james.hein@tonkon.com

5 **TONKON TORP LLP**
1600 Pioneer Tower
6 888 S.W. Fifth Avenue
Portland, OR 97204

7 Attorneys for Debtor
8
9

10 IN THE UNITED STATES BANKRUPTCY COURT
11 FOR THE DISTRICT OF OREGON

12 In re
13 Redhills Development Company, LLC, a
14 limited liability company,
15 Debtor.

Case No.

**DISCLOSURE OF
COMPENSATION OF ATTORNEY
FOR DEBTOR PURSUANT TO
RULE 2016(b)**

16 Tonkon Torp LLP ("Tonkon"), pursuant to Bankruptcy Rule 2016(b), states
17 that:

- 18 1. Tonkon has been engaged by Debtor herein to act as its general
19 bankruptcy counsel in this case.
- 20 2. In the twelve months proceeding the filing of this Chapter 11 case,
21 Tonkon Torp received payments totaling \$47,752.25 for prepetition fees, costs, and expenses,
22 which includes the bankruptcy filing fee of \$1,039.00. In addition, Tonkon Torp holds a
23 \$962.50 retainer in its trust account.
- 24 3. The filing fee for commencing this Chapter 11 case is being paid in
25 full.
- 26 4. The source of payments to be made by Debtor to Tonkon for legal

1 services, filing fees, and costs incurred in or in connection with this case will be from the
2 aforementioned retainer and from property of the bankruptcy estate.

3 5. Tonkon has not shared or agreed to share with any person, other than
4 its members, any compensation paid or to be paid.

5 DATED: April 12, 2010.

6 TONKON TORP LLP

7 By /s/ James K. Hein

8 Timothy J. Conway, OSB No. 851752

9 James K. Hein, OSB No. 054621

10 Attorneys for Debtor

11 034369/00001/2154616v1

B4 (Official Form 4) (12/07)

**United States Bankruptcy Court
District of Oregon**

In re Redhills Development Company, LLC

Debtor(s)

Case No.

Chapter 11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Michael and Shelly Raine 611 Donald Lane Newberg, OR 97132	Michael and Shelley Raine 611 Donald Lane Newberg, OR 97132 (503) 201-1762		Unliquidated	3,230,197.95
Bank of the Cascades 150 NW Pacific Park Ln #101 Bend, OR 97701	Tansi Brown Bank of the Cascades 150 NW Pacific Park Ln #101 Bend, OR 97701 (541) 617-3553			Undetermined
Bank of the West POB 515274 Los Angeles, CA 90051-6574	Bank of the West POB 515274 Los Angeles, CA 90051-6574 (888) 467-2692 Bank of the West c/o Aaron Bell Bell Law Firm PC POB 1547 Wilsonville OR 97070 (503) 682-8840		Disputed	763,788.22
Citibank POB 6925 The Lakes, NV 88901-6925	Citibank POB 6925 The Lakes, NV 88901-6925 (888) 964-1263		Unliquidated	110,968.25
Geffen Mesher 888 SW 5th Ave #800 Portland, OR 97204	Geffen Mesher 888 SW 5th Ave #800 Portland, OR 97204 (503) 221-0141			4,500.00
Innovative Concrete 16350 Hillsboro Way Newberg, OR 97132	Robert Beck Innovative Concrete 16350 Hillsboro Way Newberg, OR 97132 (503) 554-8004			3,481.88

B4 (Official Form 4) (12/07) - Cont.

In re **Redhills Development Company, LLC**

Case No. _____

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(Continuation Sheet)

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Dept of Environmental Quality Western Region Eugene Office 165 E 7th Ave #100 Eugene, OR 97401	Rodney Lemeni Dept of Environmental Quality Western Region Eugene Office 165 E 7th Ave #100 Eugene, OR 97401 (503) 229-6124			765.00
Spring Gardens Landscaping 2970 Dorothy St NE Salem, OR 97301	Spring Gardens Landscaping 2970 Dorothy St NE Salem, OR 97301 (503) 931-8189			175.00

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the Shareholder of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date **April 12, 2010**Signature /s/ Michael Raine

Michael Raine
Shareholder

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

Timothy J. Conway, OSB No. 851752
Direct Dial: (503) 802-2027
Facsimile: (503) 972-3727
E-Mail: tim.conway@tonkon.com

James K. Hein, OSB No. 054621
Direct Dial: (503) 802-2129
Facsimile: (503) 972-3829
E-Mail: james.hein@tonkon.com

TONKON TORP LLP
1600 Pioneer Tower
888 S.W. Fifth Avenue
Portland, OR 97204

Attorneys for Debtor

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF OREGON

In re)	Case No.
)	
Redhills Development Company, LLC, a)	CERTIFICATE OF SERVICE OF
limited liability company)	LIST OF CREDITORS HOLDING
)	20 LARGEST UNSECURED
Debtor.)	CLAIMS ON THE U.S. TRUSTEE

I hereby certify that I served (1) a copy of the **LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**, (2) address mailing labels for the debtor, debtor's attorney, and a contact person for each creditor on the List, and (3) this Certificate of Service on the U.S. Trustee at 620 S.W. Main Street, Room 213, Portland, OR 97205 by mailing a copy thereof in a sealed, first-class postage prepaid envelope on the date set forth below.

DATED this 12th day of April, 2010.

TONKON TORP LLP

By /s/ Ava L. Schoen
Timothy J. Conway, OSB No. 851752
James K. Hein, OSB No. 054621
Attorneys for Debtor

034369/00001/2155019v1