

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
NORTHERN DIVISION**

IN RE:)
)
TELLICO LANDING, LLC)
) No. 11-33018
Debtor.) Chapter 11

RESPONSE TO MOTION FOR THE APPOINTMENT OF A TRUSTEE

Comes the debtor and in response to the Motion for the Appointment of a Trustee would say:

1. It is admitted that LTR Properties, Inc. (“LTR”), is the managing member of the debtor and holds certain declarant rights.
2. It is admitted that it developed the Rarity Pointe Golf Course with said golf course costing in excess of \$10,000,000.00 to construct.
3. Deposits were taken by LTR and the lot purchasers were entitled to use the amenities at Rarity Bay until the amenities at Rarity Pointe were completed. There were no restrictions on any of the initiation fees. The only obvious requirement for use of the Rarity Bay amenities was to pay the monthly dues. No one has taken advantage of that.
4. Seventeen of the 39 moving lot owners all were secondary purchasers of their lots including at least two who purchased at foreclosure from the mortgage holder. The other lot owners have all owned their lots for at least three and as long as nine years.
5. WindRiver acknowledges that the debtor is obligated to transfer the golf course and will do such now upon approval by the Court.

6. Everything that LTR has done has been in the open and with the full knowledge of all members of the debtor and its secured creditor(s).
7. The movant WindRiver was fully aware of all the facts at the time it purportedly purchased the note from the original note and mortgage holder. WindRiver has not been prejudiced or harmed in any way by the operations of either the debtor or its managing member. It has no standing to bring this motion before the court.
8. No moving lot owner has been harmed as the lot owners have had an alternative since their purchase to use other amenities pending the completion of the Rarity Pointe amenities but have chosen to not do so. The lot owners have no standing in this Court.
9. Obviously, the extreme economic downturn that started in late 2007 and early 2008 severely restricted both the debtor on sales and LTR on its obligation to build out the amenities. The plan that the debtor has filed lays out that the amenities will be built with all membership initiation fees being placed in escrow pending construction.
10. No cause exists under 11 U.S.C. §1104 for the appointment of a trustee.

WHEREFORE, the debtor moves that the motion to appoint a trustee be denied.

/s/ Lynn Tarp
Lynn Tarp (006017)
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and exact copy of the foregoing response has been served upon Patricia Foster, Lewis Howard, Scott Milligan and Morris Kizer through the Court's electronic filing system this the 5th day of October, 2011.

/s/ Lynn Tarpy
Lynn Tarpy