

September 26, 2007

Mail Stop 4561

Mr. Douglas W. Child  
Chief Financial Officer  
Castle Arch Real Estate Investment Company, LLC  
9595 Wilshire, PH 1000  
Beverly Hills, CA 90212

Re: Castle Arch Real Estate Investment Company, LLC  
Form 10-KSB for the year ended December 31, 2006  
Filed April 2, 2007  
File No. 0-51230

Dear Mr. Child:

We have reviewed your response letter dated September 20, 2007 and have the following additional comments. In our comments we ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Form 10-KSB for the year ended December 31, 2006

General

1. Please provide the acknowledgements that are requested at the end of this letter on the Company's letterhead.

Consolidated Financial Statements

Consolidated Statement of Financial Condition, page F-2

2. We have read your response to our prior comment but are unable to agree with your conclusion. We continue to believe that consistent with Rule 5-02-27 of Regulation S-X, minority interest in the net assets of a subsidiary should be

reflected separately in the consolidated financial statements and not shown as part of members' capital. In a classified balance sheet, these interests should be reflected below current liabilities, unless they are expected to be redeemed within one year. Please revise your presentation accordingly.

\* \* \* \*

As appropriate, please respond to these comments within 10 business days or tell us when you will provide us with a response. Please submit a response letter on EDGAR that keys your responses to our comments and provides any requested information. Detailed response letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Exchange Act of 1934 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that

- the company is responsible for the adequacy and accuracy of the disclosure in the filing;
- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
- the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filing or in response to our comments on your filing.

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You may contact Rachel Zablow, Staff Accountant at (202) 551-3428 or the undersigned at (202) 551-3498 if you have questions.

Sincerely,

Linda van Doorn  
Senior Assistant Chief Accountant