

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

UNITED STATES OF AMERICA,)	Civil No. 08-5348 (ADM/JSM)
)	
Plaintiff,)	
)	
vs.)	AFFIDAVIT IN SUPPORT OF THE
)	STIPULATION FOR THE
)	APPROVAL OF THE SALE OF
THOMAS J. PETTERS, et al.,)	2004 TIARA 2900 CORONET BOAT
)	
Defendants.)	
)	

State of Minnesota)
) ss
County of Hennepin)

Douglas A. Kelley being first duly sworn, do hereby state:

1. I am the Court Appointed Receiver in the above-captioned matter.

2. I have obtained three independent valuations of the Tiara 2900 Coronet Boat belonging to Thomas J. Petters. The valuations all provided a Low, Middle, and High price range for the retail value of the boat. All of the companies stated that the current economy and market conditions were such that boats were selling between 15 to 20 percent below what boats were selling for a year ago. The following companies provided valuations:

a. Minnetonka Marine	Low:	\$62,500
6150 Baker Road	Middle:	\$73,200
Minnetonka, MN 55345	High:	\$85,000
952-930-9700		
Contact: Charlie Swanson		

*Dealer where Tom Petters purchased the boat

b. Blue Lagoon Marine	Low:	\$91,900
4470 Shoreline Drive	Middle:	\$101,000

Spring Park, MN 55384
952-471-8000
Contact: Scott Farington

High: \$110,000

c Marine Consultants
Contact: Bob Bilger

Low: \$90,000
Middle: \$100,000
High: \$109,000

Each company was given the opportunity to inspect boat and obtain details on options, confirm model/year, etc.

3. I entered into a sales and commission agreement on a non-exclusive basis with two separate local boat brokers:

a. Indoor Boat/Storage, Inc.
26120 Birch Bluff Road
Excelsior, MN 55331
952-470-5055
Contact: Bill Meloche

b. Todd Nelson Services, Inc
128 Chevy Chase Drive
Wayzata, MN 55391
763-286-3971
Contact: Todd Nelson

The agreement provided for a 10% commission. I am told that this commission structure is standard for the industry.

4. Indoor Boat/Storage received an offer of a \$110,000 purchase price. Based on the valuations received, this offer is at the higher end of the price ranges. The potential purchaser signed an Agreement and Bill of Sales and provided the required \$10,000 earnest check to hold the boat pending final approval by the District Court. Attached to this affidavit is a copy of the contract executed by the buyer.

5. This sales price is a reasonable price in light of current market conditions. Boat inventories are high resulting in supply that far exceeds demand. A sale price of \$110,000 and a commission fee of \$11,000 for a net proceeds of \$99,000 is reasonable in light of the current market conditions.

6. This is an arms-length transaction. The buyer is not affiliated or associated in any way with Thomas J. Petters personally, with his Petters Company, Inc., or any other entity owned or controlled by Thomas J. Petters.

FURTHER AFFIANT SAYETH NOT.

Dated: April 2, 2009

s/Douglas A. Kelley
Douglas A. Kelley, Receiver

Subscribed and sworn to before me
this 2nd day of April 2009.

s/Lisa Yang
Notary Public, State of Minnesota
County of Hennepin
My commission expires 1/31/2012