UNITED STATES DISTRICT COURT DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA,)	Civ. No. 08-5348 (ADM/JSM)
Plaintiff,)	
vs.)	STIPULATION FOR THE APPROVAL OF THE SALE OF
THOMAS J. PETTERS, et al.,)	REAL PROPERTY LOCATED AT 675 HIGHWAY 7,
Defendants.)	EXCELSIOR, MINNESOTA 55331
	,	

Pursuant to the Court's Order for Entry of Preliminary Injunction, Appointment of Receiver, and Other Equitable Relief, dated October 16, 2008, Plaintiff United States of America, Defendant Michael Catain, d/b/a Bay Properties L.L.C., through his counsel Michael J. Colich and Douglas A. Kelley, as Receiver for Defendant, hereby stipulate to the approval of the sale of real property located at 675 Highway 7, Excelsior, Minnesota 55331 ("the Property").

Whereas, the Property was purchased by the Defendant in 2004 for \$2.1 million dollars. In 2005, the property, which contained an office building and a car wash, was split, and the office building was sold to Dale Sherburne for \$1.5 million dollars.

Whereas, the remaining property and business was placed on the market by Defendant for sale.

Whereas, a buyer, Youngstedt Companies, represented by David Bingham of Bingham Real Estate has made a commercial purchase agreement, attached as Exhibit A, to purchase the Property and business from Defendant for \$1,250,000. The Defendant has received no other offers to purchase the property. See attached purchase agreement, Exhibit 1.

Whereas, the property is encumbered by a mortgage in favor of Flagship Bank in the amount of \$498,048.27 as of November 25, 2008 with interest accruing at \$54.94 per day. See letter from Thomas Harlan, Attorney for Flagship bank, Exhibit 2. After payment of settlement charges, taxes and other closing costs, the estimated proceeds from the sale are expected to be between \$650,000 to \$700,000. The proceeds will be paid to the Receiver at closing, to be deposited into the receivership account.

Whereas, the Receiver has obtained from Bingham Real Estate agent David Bingham seven (7) comparable car wash properties that have sold within the last two years in the greater metropolitan area. These are attached as Exhibit 3. The average selling price for these entities was \$1,405,000.

Whereas, the Receiver has learned from Bingham that the value of sales of commercial real estate has decreased at least 5% from 2007. The adjusted average selling price of \$1,405,000 reduced by 5% equals \$1,335,750.

Whereas, David Bingham has opined that the offer of \$1,250,000 for the purchase of the car wash at 675 Highway 7, Excelsior, Minnesota 55331 seems appropriate.

Now Therefore, Plaintiff, Defendant, and Receiver hereby stipulate to the approval of the sale of the Property under the terms of the purchase agreement

Date: /2/23/08

FRANK J. MAGILL, JR. United States Attorney

Robyn/Millenacker (#0214735)

Assistant United States Attorney

600 U.S. Courthouse

300 South Fourth Street

Minneapolis, MN 55415

Telephone: (612) 664-5600

E-Mail: Robyn.Millenacker@usdoj.gov

ATTORNEY FOR THE UNITED STATES OF

AMERICA

Date:

12/23/08

COLICH & ASSOCIATES

By

Michael J. Colich

420 Lumber Exchange Building

10 South 5th Street

Minneapolis, MN 55402 Telephone: (612) 333-7007

E-Mail: mcolich@colichlaw.com

ATTORNEY FOR DEFENDANT MICHAEL CATAIN

Date: /2/22/08

KELLEY & WOLTER, P.A.

Douglas A. Kelley, Receiver for Michael Catain

431 S. Seventh St. Suite 2530

Minneapolis, MN 55415

Telephone: (612-371-9090)

E-Mail: dkelley@kelleywolter.com