

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 04-43755-NCD

Denise Darsell Day

Chapter 13 case

Debtor

**OBJECTION TO CONFIRMATION OF
MODIFIED CHAPTER 13 PLAN**

TO: Debtors and all parties in interest specified in Local Rule 3015-3.

1. First Federal Capital Bank (“First Federal”), successor by merger to Liberty State Bank, by and through its undersigned counsel, hereby objects to the confirmation of the debtor’s proposed Amended Chapter 13 Plan herein dated August 17, 2004, and requests an Order denying confirmation of the plan.

2. The Court will hold a hearing on this objection at 10:30 A.M. on September 2, 2004, before the Honorable Nancy C. Dreher, in Courtroom 7 West, U.S. Courthouse, 300 South 4th Street, Minneapolis, Minnesota.

3. Any response to this objection must be filed and delivered no later than 10:30 a.m. on September 1, 2004, which is 24 hours before the time set for hearing, or served and filed by mail not later than August 30, 2004, which is three days before the time set for hearing. UNLESS A RESPONSE OPPOSING THE OBJECTION AND MOTION IS TIMELY FILED, THE COURT MAY IN ITS DISCRETION GRANT THE RELIEF SOUGHT IN THE OBJECTION

AND MOTION WITHOUT A HEARING.

4. The Court has jurisdiction over this objection and motion pursuant to 28 U.S.C. §157 and §1334, Fed. R. Bankruptcy Procedure 5005 and Local Rule 1070-1. This is a core proceeding. The Petition commencing this Chapter 13 case was filed on July 7, 2004. The case is now pending in this court.

5. This objection arise under 11 U.S.C. §1325(a)(3), (4) and (5), and Local Rule 3015-2(a).

6. The debtor is indebted to First Federal in the principal amount of \$37,537.01 as of the date of bankruptcy filing, secured by a duly recorded mortgage on non-homestead real property of the debtor located at 1138 Thomas Avenue, in St. Paul, Minnesota. The property is income-generating property as there is a renter paying rent to the debtor at that location. The indebtedness and security interest are evidenced by a Mortgage Note and a Mortgage dated August 30, 2001, signed by debtor Denise D. Day, copies of which are attached hereto as Exhibits A and B, respectively. The security interest was perfected by recording the mortgage on October 22, 2001, Document No. 3434483. The Mortgage Note provides that interest accrues on the loan at the rate of 9.50%, and that the balance of the loan plus accrued interest is due in full in a "balloon payment" on September 5, 2006. As of the present date, the payments on the loan to First Federal are delinquent and unpaid in the total amount of \$975.00, as follows: payments of \$325.00 per month due June 5, July 5, and August 5, 2004.

7. The mortgage held by First Federal is believed to be a second mortgage, and

subject to a prior first mortgage on the property. The first mortgage is held by GE Mortgage Services Inc. According to the debtor's schedules, the balance owing to GE Mortgage Inc. is \$49,500.26 as of the date of the debtor's bankruptcy filing.

8. The debtor has grossly undervalued the subject property which is collateral for the loan to First Federal, and that undervaluation in the debtor's schedules appears to be deliberate and fraudulent.

9. The fair market value of the real property securing the loan is actually at least **\$164,500.00**. There is substantial equity in the property, as follows:

FMV of property	\$164,500.00
Less:	
First Mortgage of GE Mortgage	(\$ 49,500.26)
Second Mortgage of First Federal	(<u>\$ 37,537.01</u>)
Equity in the collateral	\$ 77,462.73

Accordingly, the claim of First Federal is secured to the full extent of the outstanding loan balance owing to First Federal.

10. The debtor has undervalued the market value of the property at just **\$59,392.00** in her schedules. **In fact, the property is worth \$105,108.00 more than alleged by the debtor.** ($\$164,500 - \$59,392 = \$105,108$.) The debtor's schedules indicate the basis for the her alleged value is: "Purchased Price (1995): \$56,000.00. 1998 refinanced appraisal \$59,000." In other words, the debtor states that she purchased the property in 1995, nine years ago, and since then it has appreciated only \$3,392.00 to \$59,392.00. At the meeting of creditors the debtor also testified and admitted that her estimated value of \$59,392.00 for the property was indeed based

on an outdated real estate appraisal from 1998.

11. However, the debtor is aware that the property has greatly increased in value since the appraisal back in 1998, that it has been more recently appraised at a much higher value, and that even the current tax assessed market value of the property is substantially higher than the market value now alleged by the debtor.

- a. The debtor herself stated in her Uniform Residential Loan Application submitted to First Federal Bank on **July 3, 2001**, that she herself estimated the property to be valued at **\$150,000.00** at that time. A copy thereof is attached as Exhibit C.
- b. A real estate appraisal dated **July 19, 2001**, performed for the purpose of valuing the property at the time First Federal made this loan to debtor, valued the property at **\$122,000.00** at that time. A copy thereof is attached as Exhibit D.
- c. The Ramsey County Minnesota property tax statement indicates the assessed market value of the property on January 2, 2003 was **\$152,600.00**, and the assessed market value on January 2, 2004, was **\$164,500.00**. A copy thereof is attached as Exhibit E. The property tax statement also indicates that the purchase price of the property in 1995 was in fact \$64,900.00, not \$56,000.00 as alleged by the debtor.

12. Clearly, **the property has continued to appreciate in value** since the debtor originally purchased it in 1995, and the debtor herself is aware of this. First Federal believes the most recent tax assessed market value of \$164,500.00 represents the true fair market value of the

property as of the date of the debtor's bankruptcy filing.

13. The debtor's deliberate under-valuation of the property also appears to be convenient as it is the value which would afford the debtor the maximum use of the "catch all" exemption under 11 U.S.C. §522(d)(5). By undervaluing this property, the debtor is able to claim a total of only \$10,255.00 exempt under §522(d)(5), thereby keeping her plan payments artificially low and "cram down" the balance owing to First Federal, since exceeding the exemption limit by truthfully disclosing the property's value would require the debtor to pay more into the plan, pursuant to 11 U.S.C. §1325(a)(4), to the extent the true value of the property exceeds the exemption limit. The payments proposed by the plan may not be less than the total amount that would be paid under a Chapter 7 liquidation of the estate of the debtor, as contemplated by 11 U.S.C. §1325(a)(4) and 11 U.S.C. §1325(a)(3).

14. The debtor's Modified Plan dated August 17, 2004, makes no provision for any payments to First Federal until month 20, and thereafter the plan proposes to pay First Federal only \$9,241.74 plus interest at 8 percent, for a total of only \$10,677.12. This is substantially less than the balance of First Federal's fully-secured claim.

15. First Federal objects to the Modified Plan because its secured claim is undervalued and the interest rate proposed in the plan is not sufficient.

16. The debtor's Modified Plan fails to comply with 11 U.S.C. §1322(a)(3), since the plan fails to treat fully-secured creditor First Federal the same as other similarly situated fully-secured creditors in the same class.

17. The debtor's Modified Plan fails to comply with 11 U.S.C. §1325(a)(5)(B)(ii), as the property proposed to be distributed by the debtor under the terms of the Modified Plan is less than the amount of the secured claim, given the true value of the property.

18. First Federal further objects to the Modified Plan on the grounds that the debtor has failed to truthfully and honestly disclose the value of her assets in good faith, and the payments proposed by the plan are less than the total amount that would be paid under a Chapter 7 liquidation of the estate of the debtor, as contemplated by 11 U.S.C. §1325(a)(4) and 11 U.S.C. §1325(a)(3).

19. The Modified Plan does not provide First Federal Bank with adequate protection of its secured interest in the property.

20. The plan, as proposed, is not made in good faith by the debtor.

21. Movant gives notice that it may call an officer of First Federal Capital Bank to testify at the hearing, as well as a certified real estate appraiser.

Respectfully submitted

Dated: August 25, 2004

By: /e/ Patrick J. McGuigan

Patrick J. McGuigan, Esq. (#70592)
Randall S. Johnson (#229039)
Attorneys for First Federal Capital Bank
176 Snelling Avenue North, Suite 200
Saint Paul, MN 55104
Telephone: (651) 646-6325

jdn

MORTGAGE NOTE

No. 632091-01

\$ 38,000.00

St. Paul, Minnesota August 30, 2001

FOR VALUE RECEIVED, the undersigned promise(s) to pay to the order of

LIBERTY STATE BANK
at its office in St. Paul, Minnesota

the sum of Thirty-eight thousand and no/100-----DOLLARS

with interest on the unpaid balance at the rate of 9.50 % per annum computed on a basis of

actual days elapsed and a year of 365 days from date until paid in the following installments,

which include interest: \$ 325.00 on October 5, 2001

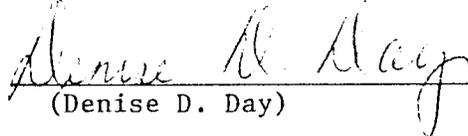
and a like amount on the same day of each month thereafter, until September 5, 2006

when the balance shall be due and payable. Such installments shall be applied initially against interest and thereafter in reduction of principal.

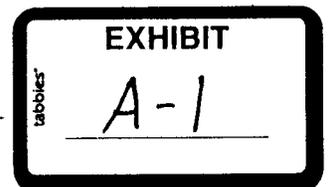
If any default is made in the payment of any of the above installments of principal and interest or upon the failure of the undersigned or the assigns thereof to perform the terms and conditions of the real estate mortgage of even date herewith securing this note, or in the event of a sale, conveyance or other transfer by operation of law or otherwise of said mortgaged premises without the written consent of the mortgagee, the holder of this note may elect to declare the unpaid balance of this note, including interest thereon, to be immediately due and payable without notice. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at a later date.

The right of prepayment at any time without penalty is reserved to the undersigned. Any prepayment of a part of this note shall be applied on the unpaid installments thereof in the inverse order of maturity.

Each maker, endorser, guarantor and surety hereof hereby waives presentment for payment, notice of nonpayment, protest and notice of protest hereon and agrees to pay, in the event of default hereunder, the costs of collection including reasonable attorney's fees.



(Denise D. Day)



10
08

DOC# 3434483

Certified Recorder On

OCT. 22, 2001 AT 10:20AM

Signed: Rm
OFFICE CO. RECORDER
RAMSEY COUNTY MN

Fee Amount: 120.00



MORTGAGE

jdn

7261 003 03 10/01/01 10:45

THIS STATUTORY MORTGAGE, Made on August 30, 2001

NTG TAX between 07.00

Denise D. Day, single
(mailing address) 301 Bluff Road, St. Paul Park, Minnesota 55071
of Washington County and State of Minnesota, hereinafter (whether one or more in number) called the "Mortgagor" and

2 LIBERTY STATE BANK

a banking corporation organized and existing under the Laws of Minnesota, hereinafter called the "Mortgagee".

WITNESSETH, That to secure the payment of ~~Thirty-eight thousand and no/100~~-----
----- (\$38,000.00) ----- DOLLARS
with interest at the rate of 9.5 percent per annum computed on a basis of actual days elapsed and a year of 365 days within
5 years 0 months, according to the terms of a promissory note bearing even date herewith payable to the order of the
Mortgagee, the Mortgagor hereby mortgages to the Mortgagee the tract of land lying in the County of Ramsey
State of Minnesota, described as follows, to wit:

X Lot 11, Lot 12, except the West 20 feet thereof, Block 1, Sanborn's
Midway Addition to St. Paul, Minn., Ramsey County, Minnesota

7261 003 03 10/01/01 10:45
C. STAMPS

Together with all buildings and improvements now or hereafter erected thereon and all engines, boilers, elevators and machinery, and all heating apparatus, electrical equipment, air conditioning equipment, water and gas fixtures, shades, awnings, screens, storm sash and blinds, and all fixtures of every description, belonging to said Mortgagor, which are or may be placed or used upon the premises above described, or appurtenant thereto, all of which, for the purpose of this Mortgage, shall be deemed fixtures and subject to the lien hereof, and together with the hereditaments and appurtenances pertaining to the property above described, all of which is referred to hereinafter as the "premises"; and further, the Mortgagor covenants with the Mortgagee the following statutory covenants:

1. To warrant the title to the premises;
2. To pay the indebtedness as herein provided;
3. To pay all taxes;
4. To keep the buildings insured against loss by fire and extended coverage insurance for the protection of the Mortgagee in such company(ies) and amounts satisfactory to the Mortgagee;
5. That the premises shall be kept in repair and no waste shall be committed;
6. That the whole of the principal sum shall become due after default in the payment of any installment of principal or interest, or of any tax, or in the performance of any other covenant, at the option of the Mortgagee;
7. To pay principal and interest on prior mortgages.

Mortgagor further covenants and agrees with Mortgagee that:

1. Mortgagor will keep said premises free from all prior liens and upon demand of Mortgagee will pay and procure release of any lien which in any way may impair the security of this Mortgage.
2. If the Note and Mortgage or either of them shall be placed in the hands of an attorney for collection or if Mortgagee voluntarily or involuntarily becomes or is made a party to any suit or proceeding relating to the premises or to this Mortgage or said Note, Mortgagor shall reimburse Mortgagee for its reasonable attorney's fees and costs and the expenses of procuring and continuing abstracts or other evidence of title and title insurance in connection therewith.
3. Mortgagor will not use said premises contrary to restrictions of record or contrary to laws, ordinances or regulations of proper public authority, and will not procure or accept prepayment of rent for more than one month unless with the written consent of Mortgagee, and will permit Mortgagee to enter at all reasonable times for the purpose of inspecting the premises.
4. There is no assignment or pledge of any leases of, or rentals or income from said premises now in effect, and that, until said indebtedness is fully paid, it will not make any such assignment or pledge to anyone other than Mortgagee and will not, without the prior written approval of Mortgagee, consent to a cancellation of any of said leases having at the time an unexpired term of more than two years, or to a release or reduction of the liability of any lessee under such a lease.
5. Any award of damages under condemnation for injury to, or taking of, any part or all of said property, and all moneys becoming payable under any fire or extended coverage policy on the property, are hereby assigned to Mortgagee with authority to apply the proceeds on the Note in the inverse order of the maturity of the installments thereof, or to release the moneys received.
6. In the event of a sale, conveyance or other transfer by operation of law or otherwise of the premises or any part thereof without written consent of Mortgagee, this Mortgage shall become due and payable forthwith at the option of the Mortgagee.

109 7

109-7-272



7. Mortgagor by executing this Mortgage and negotiating the terms hereof does hereby voluntarily and knowingly affirm that he understands and agrees that upon default in any payment or covenant herein, the Mortgagee has the right to foreclose this Mortgage by advertisement pursuant to Minnesota Statutes, Chapter 580, and, notwithstanding any rights Mortgagor may have or claim to notice and a judicial hearing prior to exercise of the aforementioned rights by Mortgagee, Mortgagor hereby voluntarily and knowingly relinquishes and waives such rights, if any, to prior notice and prior judicial hearing other than as provided in Minnesota Statutes, Chapter 580, or in this Mortgage, and expressly consents to the exercise by Mortgagee of its rights as herein set forth.

8. Whenever by the terms of this instrument or of said note Mortgagee is given any option, such option may be exercised when the right accrues, or at any time thereafter.

9. Mortgagor, if more than one, shall be jointly and severally liable for fulfillment of their covenants and agreements herein contained, and all provisions of this Mortgage shall inure to and be binding upon the heirs, executors, administrators, successors, grantees, lessees and assigns of the parties hereto, respectively.

If, and only if, this Mortgage secures payment of a "Conventional Loan" within the meaning of Minn. Stat. Section 47.20, Mortgagee hereby

1. Covenants to furnish Mortgagor with a conformed copy of this Mortgage and the Note, at a time no later than a reasonable time after recordation of this Mortgage.
2. Agrees that if it intends to foreclose, it will, unless the default consists of a sale of the mortgaged premises without the required consent of the Mortgagee, give the Mortgagor written notice of any default under the terms or conditions of the Note or this Mortgage by sending the notice by certified mail to the address of the mortgaged premises or such other address as the Mortgagor may have designated in writing to the Mortgagee. Such notice shall contain the following provisions:
 - a) The nature of the default by the Mortgagor;
 - b) The action required to cure the default;
 - c) A date, not less than 30 days from the date the notice is mailed by which the default must be cured;
 - d) That failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the mortgaged premises;
 - e) That the Mortgagor has the right to reinstate this Mortgage after acceleration;
 - f) That the Mortgagor has the right to bring a court action to assert the nonexistence of a default or any other defense of the Mortgagor to acceleration and sale.

And further, the Mortgagor covenants with the Mortgagee the following statutory covenant:

If default be made in any payment or covenant herein, the Mortgagee shall have the statutory power of sale, and on foreclosure may retain statutory costs and attorney's fees.

IN WITNESS WHEREOF, The Mortgagor has duly executed this Mortgage.

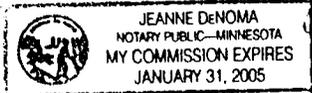
_____ Denise D. Day
 _____ (Denise D. Day)

STATE OF MINNESOTA)
)ss.
 COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this 30th day of August, 2001, by _____
Denise D. Day, single

Jeanne Denoma

 Notary Public



STATE OF MINNESOTA)
)ss.
 COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by _____
 _____, President and _____, Secretary
 of _____, a Minnesota corporation, on behalf of the corporation.

THIS INSTRUMENT WAS DRAFTED BY:
LIBERTY STATE BANK
 176 SNELLING AVENUE NORTH
 P.O. BOX 64075
 ST. PAUL, MINNESOTA 55164-0075

 Notary Public

The undersigned, as Mortgagor, hereby acknowledges receipt of a conformed copy of this Mortgage and the Note.

Denise D. Day 8/30/01
 (Mortgagor) (Denise D. Day) (Date)

 (Mortgagor) (Date)

Rec'd
7-20-01
ADW

Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or the income or assets of the Borrower's spouse will not be used as a basis for loan qualification, but his or her liabilities must be considered because the Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

I. TYPE OF MORTGAGE AND TERMS OF LOAN

Mortgage Applied for: <input type="checkbox"/> VA <input type="checkbox"/> FHA <input type="checkbox"/> Conventional <input type="checkbox"/> FmHA <input type="checkbox"/> Other:	Agency Case Number	Lender Case No.
Amount: \$ 20,000.00	Interest Rate: %	No. of Months: _____
Amortization Type: <input type="checkbox"/> Fixed Rate <input type="checkbox"/> Other (explain): _____		<input type="checkbox"/> GPM <input type="checkbox"/> ARM (type): _____

II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state, & zip code): 1158 THOMAS AVE No. of Units: 1/56

Legal Description of Subject Property (attach description if necessary): _____ Year Built: _____

Purpose of Loan: Purchase Refinance Construction Construction-Permanent Other (explain): DEBT CONSOLIDATION Property will be: Primary Residence Secondary Residence Investment

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Complete this line if this is a refinance loan.

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements: <input type="checkbox"/> made <input type="checkbox"/> to be made
_____	\$ _____	\$ _____	_____	Cost: \$ _____

Title will be held in what Name(s): _____ Manner in which Title will be held: _____ Estate will be held in: Fee Simple Leasehold (show expiration date)

Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain): _____

III. BORROWER INFORMATION

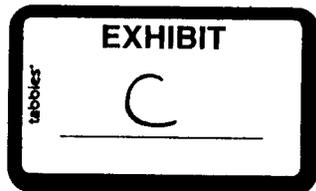
Borrower's Name (include Jr. or Sr. if applicable): <u>DENISE D. DAY</u>				Co-Borrower's Name (include Jr. or Sr. if applicable): _____			
Social Security Number: <u>310-46-6129</u>	Home Phone (incl. area code): <u>952-368-9096</u>	Age: <u>48</u>	Yrs. School: <u>14</u>	Social Security Number	Home Phone (incl. area code)	Age	Yrs. School
<input type="checkbox"/> Married <input checked="" type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower) no. / ages: <u>4 / 9, 17, 8, 5</u>	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower) no. / ages: _____	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)	<input type="checkbox"/> Separated	Dependents (not listed by Borrower) no. / ages: _____	
Present Address (street, city, state, zip code): <u>301 Bluff Rd St. Paul MN</u> <input checked="" type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs. _____				Present Address (street, city, state, zip code): _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs. _____			

If residing at present address for less than two years, complete the following:

Former Address (street, city, state, zip code): _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs. _____	Former Address (street, city, state, zip code): _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs. _____
Former Address (street, city, state, zip code): _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs. _____	Former Address (street, city, state, zip code): _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs. _____

IV. EMPLOYMENT INFORMATION

Borrower		Co-Borrower	
Name & Address of Employer: <u>METRO TRANSIT, Snelling/University</u> <input checked="" type="checkbox"/> Self Employed	Yrs. on this job: <u>1-20-01</u>	Name & Address of Employer: _____ <input type="checkbox"/> Self Employed	Yrs. on this job: _____
Position/Title/Type of Business: <u>Bus Driver</u>	Business Phone (incl. area code): <u>612-349-5405</u>	Position/Title/Type of Business: _____	Business Phone (incl. area code): _____
If employed in current position for less than two years or if currently employed in more than one position, complete the following:			
Name & Address of Employer: <u>REMAX REAL ESTATE</u> <input checked="" type="checkbox"/> Self Employed	Dates (from - to): <u>12/00/Present</u>	Name & Address of Employer: _____ <input type="checkbox"/> Self Employed	Dates (from - to): _____
Position/Title/Type of Business: <u>Soldier Bus Co (1-01) (6-01)</u>	Monthly Income: <u>\$/varies</u>	Position/Title/Type of Business: _____	Monthly Income: \$ _____
Name & Address of Employer: <u>U.S. POSTAL Service</u> <input type="checkbox"/> Self Employed	Dates (from - to): <u>9-16-74</u>	Name & Address of Employer: _____ <input type="checkbox"/> Self Employed	Dates (from - to): _____
Position/Title/Type of Business: <u>WASHINGTON DC, 20006</u>	Monthly Income: <u>\$ 2,000</u>	Position/Title/Type of Business: _____	Monthly Income: \$ _____
Name & Address of Employer: <u>CLERK</u> <input type="checkbox"/> Self Employed	Dates (from - to): <u>202 636-1200</u>	Name & Address of Employer: _____ <input type="checkbox"/> Self Employed	Dates (from - to): _____
Position/Title/Type of Business: _____	Business Phone (incl. area code): _____	Position/Title/Type of Business: _____	Business Phone (incl. area code): _____



VI. ASSETS AND LIABILITIES (cont.)

Schedule of Real Estate Owned (If additional properties are owned, use continuation sheet.)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
1247 Parkside Chicago	R HSE	\$ 115,000	\$ 84,000	\$ 800 ⁰⁰	\$ 840		\$ 800 ⁰⁰
1138 Thomas Ave	R HSE	82,200	48,000	1154 ⁰⁰	701 ⁰⁰		1154 ⁰⁰
Totals		\$	\$	\$	\$	\$	\$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

VII. DETAILS OF TRANSACTION

a. Purchase price	\$
b. Alterations, improvements, repairs	
c. Land (if acquired separately)	
d. Refinance (incl. debts to be paid off)	
e. Estimated prepaid items	
f. Estimated closing costs	
g. PMI, MIP, Funding Fee	
h. Discount (if Borrower will pay)	
i. Total costs (add items a through h)	
j. Subordinate financing	
k. Borrower's closing costs paid by Seller	
l. Other Credits (explain)	
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	
n. PMI, MIP, Funding Fee financed	
o. Loan amount (add m & n)	
p. Cash from Borrower (subtract j, k, l & o from i)	

VIII. DECLARATIONS

If you answer "yes" to any questions a through i, please use continuation sheet for explanation.

	Borrower		Co-Borrower	
	Yes	No	Yes	No
a. Are there any outstanding judgments against you?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Have you been declared bankrupt within the past 7 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Are you a party to a law suit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name and address of Lender, FHA or VA case number, if any, and reasons for the action.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in the preceding question.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Are you obligated to pay alimony, child support, or separate maintenance?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Is any part of the down payment borrowed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Are you a co-maker or endorser on a note?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Are you a U.S. citizen?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Are you a permanent resident alien?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m below.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)? <u>PR</u> (2) How did you hold title to the home—solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)? <u>S</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IX. ACKNOWLEDGMENT AND AGREEMENT

The undersigned specifically acknowledge(s) and agree(s) that: (1) the loan requested by this application will be secured by a first mortgage or deed of trust on the property described herein, (2) the property will not be used for any illegal or prohibited purpose or use; (3) all statements made in this application are made for the purpose of obtaining the loan indicated herein, (4) occupation of the property will be as indicated above, (5) verification or reverification of any information contained in the application may be made at any time by the Lender, its agents, successors and assigns, either directly or through a credit reporting agency, from any source named in this application, and the original copy of this application will be retained by the Lender, even if the loan is not approved, (6) the Lender, its agents, successors and assigns will rely on the information contained in the application and I/we have a continuing obligation to amend and/or supplement the information provided in this application if any of the material facts which I/we have represented herein should change prior to closing; (7) in the event my/our payments on the loan indicated in this application become delinquent, the Lender, its agents, successors and assigns, may, in addition to all their other rights and remedies, report my/our name(s) and account information to a credit reporting agency; (8) ownership of the loan may be transferred to successor or assign of the Lender without notice to me and/or the administration of the loan account may be transferred to an agent, successor or assign of the Lender with prior notice to me; (9) the Lender, its agents, successors and assigns make no representations or warranties, express or implied, to the Borrower(s) regarding the property, the condition of the property, or the value of the property.

Certification: We certify that the information provided in this application is true and correct as of the date set forth opposite my/our signature(s) on this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq. and liability for monetary damages to the Lender, its agents, successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this application.

Borrower's Signature <i>Katherine A. [Signature]</i>	Date	Co-Borrower's Signature X	Date
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X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling, in order to monitor the Lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations this Lender is required to note race and sex on the basis of visual observation or surname. If you do not wish to furnish the above information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the Lender is subject under applicable State law for the particular type of loan applied for.)

BORROWER	<input type="checkbox"/> I do not wish to furnish this information	CO-BORROWER	<input type="checkbox"/> I do not wish to furnish this information
Race/National Origin:	<input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Black, not of Hispanic origin <input type="checkbox"/> Hispanic <input checked="" type="checkbox"/> White, not of Hispanic origin <input checked="" type="checkbox"/> Other (specify) <u>Black Indian</u>	Race/National Origin:	<input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Black, not of Hispanic origin <input type="checkbox"/> Hispanic <input type="checkbox"/> White, not of Hispanic origin <input type="checkbox"/> Other (specify) _____
Sex:	<input type="checkbox"/> Female <input type="checkbox"/> Male	Sex:	<input checked="" type="checkbox"/> Female <input type="checkbox"/> Male

To be Completed by Interviewer	Interviewer's Name (print or type)	Name and Address of Interviewer's Employer
This application was taken by:	Interviewer's Signature	Date
<input type="checkbox"/> face-to-face interview <input type="checkbox"/> by mail <input type="checkbox"/> by telephone	Interviewer's Phone Number (incl. area code)	

APPRAISAL OF

Single Family Dwelling

LOCATED AT:

1138 Thomas Ave
St Paul, MN 55104

FOR:

Liberty State Bank
176 N. Snelling Avenue
St. Paul, MN 55104

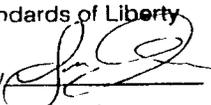
AS OF:

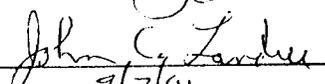
July 19, 2001

BY:

John J. Hannahan
4001449

This appraisal conforms with the
appraisal standards of Liberty
State Bank.

Confirmed by 


Date 7/7/01

EXHIBIT

D

tabbies

Property Description
 Property Address 1138 Thomas Ave City St. Paul State MN Zip Code 55104
 Legal Description See Attached Addendum. County Ramsey
 Assessor's Parcel No. 342923140011 Tax Year 00 R.E. Taxes \$886.20 Special Assessments \$0.00
 Borrower DAY Current Owner Same Occupant: Owner Tenant Vacant
 Property rights appraised Fee Simple Leasehold Project Type PUD Condominium (HUD/VA only) HOA \$ 0.00/Mo.
 Neighborhood or Project Name _____ Map Reference 107 E3 Census Tract 5120-323

Sale Price \$ Refinance _____ Date of Sale _____ Description and \$ amount of loan charges/concessions to be paid by seller _____
 Lender/Client Liberty State Bank Address 176 N. Snelling Avenue, St. Paul, MN 55104
 Appraiser John J. Hannahan Address 258 Humboldt Ave, Mpls MN, 55405

Location Urban Suburban Rural Predominant occupancy _____ Single family housing PRICE \$ (000) AGE (yrs) Present land use % Land use change
 Built up Over 75% 25-75% Under 25% One family 85 Not likely Likely
 Growth rate Rapid Stable Slow Owner 60 Low 70 2-4 family 5 In process
 Property values Increasing Stable Declining Tenant 150 High 100 Multi-family 5 To: _____
 Demand/supply Shortage In balance Over supply Vacant (0-5%) Commercial 5
 Marketing time Under 3 mos. 3-6 mos. Over 6 mos. Vacant (over 3%) Predominant 110 85 0

Note: Race and the racial composition of the neighborhood are not appraisal factors.
 Neighborhood boundaries and characteristics: The subject is located in the East Midway area. Neighborhood boundaries are I 94 (S), Snelling Ave (W), Pierce Bulter Route (N), Lexington Ave. (E)
 Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
See Attached Addendum.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
Interest rates are stable and are currently at approximately 7%. The residential real estate market is best described as seasonally active. Supply and demand are in balance with typical marketing under 90 days. Financing and sales concessions are not normal in this market.

Project Information for PUDs (if applicable) -- Is the developer/builder in control of the Home Owners' Association (HOA)? YES NO
 Approximate total number of units in the subject project _____ Approximate total number of units for sale in the subject project _____
 Describe common elements and recreational facilities: _____

Dimensions 50 x 122 Topography Level 2' above grade
 Site area 6100 Sq.Ft. Corner lot Yes No Size Typical for area
 Specific zoning classification and description Residential-single family Shape Rectangular
 Zoning compliance Legal Legal nonconforming (Grandfathered use) Illegal No zoning Drainage Appears adequate
 Highest & best use as improved: Present use Other use (explain) NO View Good - Residential
 Utilities Public Other Off-site improvements Type Public Private Landscaping Average
 Electricity Street Asphalt Driveway Surface Apron
 Gas Curb/gutter Concrete Apparent easements None apparent
 Water Sidewalk Concrete FEMA Special Flood Hazard Area Yes No
 Sanitary sewer Street rights Yes FEMA Zone X Map Date 7/2/91
 Storm sewer Alley Asphalt FEMA Map No. 275248

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning, use, etc.): See Attached Addendum.

GENERAL DESCRIPTION	EXTERIOR DESCRIPTION	FOUNDATION	BASEMENT	INSULATION
No of Units <u>1</u>	Foundation <u>Stone</u>	Slab <u>No</u>	Area Sq Ft. <u>908</u>	Roof <input type="checkbox"/>
No of Stories <u>1.5</u>	Exterior Walls <u>Lap Vinyl</u>	Crawl Space <u>40%</u>	X Finished <u>0</u>	Ceiling <u>Cncld. (X)</u>
Type (Det./All) <u>Detached</u>	Roof Surface <u>Asph. Sh.</u>	Basement <u>60%</u>	Ceiling <u>--</u>	Walls <u>Cncld. (X)</u>
Design (Style) <u>1.5 Sty</u>	Gutters & Downspits <u>None</u>	Sump Pump <u>None</u>	Walls <u>--</u>	Floor <input type="checkbox"/>
Existing/Proposed <u>Yes/No</u>	Window Type <u>Dbl.</u>	Dampness <u>None noted</u>	Floor <u>--</u>	None <input type="checkbox"/>
Age (Yrs) <u>96</u>	Storm/Screen <u>None</u>	Settlement <u>None noted</u>	Outside Entry <u>No</u>	Unknown <input type="checkbox"/>
Effective Age (Yrs) <u>33</u>	Manufactured House <u>No</u>	Infestation <u>None noted</u>		

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq Ft.
Basement												908
Level 1	1	1	Area	1				1	1			908
Level 2								3	.5			603
												0

Finished area above grade contains: 6 Rooms; 4 Bedroom(s); 1.5 Bath(s); 1,511 Square Feet of Gross Living Area

INTERIOR	HEATING	KITCHEN EQUIP.	ATTIC	AMENITIES	CAR STORAGE:
Floors <u>Carpet, Vinyl</u>	Type <u>FA</u>	Refrigerator <input type="checkbox"/>	None <input type="checkbox"/>	Fireplace(s) # <input type="checkbox"/>	None <input type="checkbox"/>
Walls <u>Plaster, DW</u>	Fuel <u>Gas</u>	Range/Oven <input type="checkbox"/>	Stairs <input type="checkbox"/>	Patio <input type="checkbox"/>	Garage # of cars _____
Trim/Finish <u>Pine, Painted</u>	Condition <u>Gd</u>	Disposal <input type="checkbox"/>	Drop Stair <input type="checkbox"/>	Deck <input type="checkbox"/>	Attached _____
Bath Floor <u>Ceramic, Vinyl</u>	COOLING _____	Dishwasher <input checked="" type="checkbox"/>	Scullie <input checked="" type="checkbox"/>	Porch <input checked="" type="checkbox"/>	Detached <u>2+</u>
Bath Wainscot <u>Ceramic, Fiber</u>	Central <u>Yes</u>	Fan/Hood <input checked="" type="checkbox"/>	Floor <input type="checkbox"/>	Fence <input type="checkbox"/>	Built-in _____
Doors <u>Hollow C. Panel</u>	Other <u>None</u>	Microwave <input type="checkbox"/>	Heated <input type="checkbox"/>	Pool <input type="checkbox"/>	Carport _____
Average condition _____	Condition <u>Gd</u>	Washer/Dryer <input type="checkbox"/>	Finished <input type="checkbox"/>		Driveway <u>Apron</u>

Additional features (special energy efficient items, etc.): French doors, humidifier, air cleaner, front entry porch (5 x 12) & (13.5 x 7).
 Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: See Attached Addendum.

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: The subject property is not exposed to any adverse environmental conditions.

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 39607

Valuation Section

ESTIMATED SITE VALUE	-	\$ 10,000
ESTIMATED REPRODUCTION COST-NEW OF IMPROVEMENTS:		
Dwelling 1,511 Sq Ft @ \$100.00	-	\$ 151,100
Porch	-	5,000
Garage/Carport 598 Sq Ft @ \$22.00	-	13,156
Total Estimated Cost New	-	\$ 169,256
Less Physical Functional External		
Depreciation 55,854	-	\$ 61,133
Depreciated Value of Improvements	-	\$ 108,123
"As Is" Value of Site Improvements	-	\$ 4,000
INDICATED VALUE BY COST APPROACH	-	\$ 122,100

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): **The Marshall and Swift Cost Handbook and local builders are the sources of data used in the Cost Approach.**

The physical depreciation is calculated using the effective age/economic life method.

SALES COMPARISON ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
1138 Thomas Ave		1238 Thomas Ave	1145 Charles Ave	1128 Thomas Ave
Address St Paul		St Paul	St Paul	St Paul
Proximity to Subject		1 Block	1 Block	Same block
Sales Price	\$ Refinance	\$ 110,500	\$ 113,260	\$ 104,900
Price/Gross Liv Area	\$ 0.00	\$ 101.19	\$ 94.38	\$ 94.00
Date and/or	Inspection	MLS	MLS	MLS
Verification Source				
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing				
Concessions	None	FHA- 0 pts	FHA- 0 pts	Conv- 0 pts
Date of Sale/Time	7/01	7/00	3/01	1/01
Location	Midway	Midway	Midway	Midway
Leasold/Tee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	Gd/50x122	Gd/40x124	Inf/35x122	Inf/40x122
View	Avg/Traffic	Avg/Traffic	Superior	Avg/Traffic
Design and Appeal	1.5 Sty	2 Sty	1.5 Sty	2 Sty
Quality of Construction	Average	Average	Average	Average
Age	1905	1915	1921	1909
Condition	Average	Average	Average	Average
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths
Room Count	6 4 1.5	7 3 1	5 3 1	6 3 1
Gross Living Area	1,511 Sq Ft	1,092 Sq Ft	1,200 Sq Ft	1,116 Sq Ft
Basement & Finished	Full Bsmt	Full Bsmt	Full Bsmt	Full Bsmt
Rooms Below Grade	Unfinished	Unfinished	Unfinished	Unfinished
Functional Utility	Average	Average	Average	Average
Heating/Cooling	FA C/Air	HW/None	FA /None	HW/None
Energy Efficient Items	Typical	Typical	Typical	Typical
Garage/Carport	2 Car Garage	1 Car Garage	1 Car Garage	2 Car Garage
Porch, Patio, Deck	Porch	Porch	None	Porch, Deck
Fireplace(s), etc	None	None	Fireplace	None
Fence, Pool, etc	None	Fence	None	None
Net Adj. (total)	Typical	Typical	Typical	Typical
Adjusted Sales Price of Comparable		\$ 17,300	\$ 12,200	\$ 11,900
		\$ 127,800	\$ 125,460	\$ 116,800

Comments on Sales Comparison (including the subject property's comparability to the neighborhood, etc.): **See Attached Addendum.**

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Date	See Below	N/A	N/A	N/A
Source for prior sales within year of appraisal				

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal:
The subject property has not sold in the last 12 months. The comparables listed have not sold within the last 12 months prior to the listed data and sale.

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 122,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A - \$ N/A

This appraisal is made as is subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans and specifications

Conditions of Appraisal: **See Attached Addendum.**

Final Reconciliation **Both the Cost Approach & the Market Approach are believed good support for the final estimate of value. Most weight was given to the Market Approach due to the availability of good market data. The Income Approach was not utilized due to the lack of available rental data.**

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised _____)

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF **July 19, 2001**

(WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ **122,000**

APPRAISER: Signature [Signature] SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature _____ Did Did Not Inspect Property

Name **John J. Hennahan** Name _____

Date Report Signed 7/23/01 Date Report Signed _____

State Certification # 4001449 State MN State Certification # _____ State _____

Or State License # _____ State _____ Or State License # _____ State _____

CAPITAL APPRAISALS, INC.
Real Estate Appraisers and Consultants

File No. 39607

LEGAL DESCRIPTION:

Lot 11 and except the W 20' of Lot 12 Block 1 Sanborn's Midway Addition

NEIGHBORHOOD COMMENTS:

The subject property is located in the Midway area of St. Paul. The neighborhood is situated approx 2 miles west of the downtown CBD, & consists primarily of compatible 1900 to 1930 vintage expansion & 2 sty dwellings. Good prox. neighborhood shopping Snelling and University Aves.), schools of all levels, rec facilities (Como Park & Mississippi River Pk system as well as scattered city playgrounds) and employment centers (both St P & Mpls within 5 miles). The neighborhood is bordered on the north and west by industrial development. The State Fair Grounds are located directly north of the Midway Area.

SITE COMMENTS:

The subject site is typical for the neighborhood in size and topography. It is a north facing interior corner site with average landscaping. Thomas Ave carries above average traffic. There are no adverse easements or encroachments noted.

CONDITION OF THE IMPROVEMENTS:

No noted functional obsolescence, economic obsolescence will be taken to reflect the traffic along Thomas Ave, physical depreciation is considered normal for a dwelling of the subject's age and quality, updating includes; remodelled bath (1980's), kitchen (1960's), furnace and central air (1999), some copper plumbing, siding (2000). The roof is near the end of its economic life.

COST APPROACH COMMENTS:

First	26.00 x	15.50 x	1 =	403
	24.50 x	14.00 x	1 =	343
	12.00 x	13.50 x	1 =	162
	Total Sq. Ft. =			908
Second	15.50 x	20.00 x	1 =	310
	24.00 x	10.00 x	1 =	240
	10.00 x	12.00 x	1 =	120
	2.00 x	3.00 x	1 =	6
	3.00 x	2.00 x	1 =	6
	Total Sq. Ft. =			682
Bsmt.	26.00 x	15.50 x	1 =	403
	24.50 x	14.00 x	1 =	343
	12.00 x	13.50 x	1 =	162
	Total Sq. Ft. =			908
Garage	23.00 x	26.00 x	1 =	598

COMMENTS ON SALES COMPARISON:

A thorough search has been made in order to utilize truly comparable sales data from a standpoint of location, style, age and utility. All sales are located in the subject's immediate east Midway area and represent similar 1920 vintage 1.5 story styled dwellings. A 4th and 5th comparables have been added as additional support.

The majority of adjustments are self-explanatory with the exception of the following. Date of sale adjustments reflect market increases over the last year and are supported by MLS data. Site adjustments reflect differences in size and negative factors such as traffic noise and commercial development. Condition adjustments take into consideration both superior and inferior updating (kitchen, bath, mechanical items) and are based on the listing agents comments. Lower level adjustments reflect not only the amount of square foot finished area, but take into consideration the quality and

CAPITAL APPRAISALS, INC.
Real Estate Appraisers and Consultants

File No. 39607

COMMENTS ON SALES COMPARISON: (continued)

livability of the space.

The listed sales meet the majority of FNMA guidelines with the exception of date of sale. It is not unusual to use comps which exceed this limit due to the scarce amount of truly similar data. This appraiser feels it is more important to use older sales (over 6 mo.) in order to compare the best possible data from the standpoint of age, style & utility.

COMMENTS AND CONDITIONS OF APPRAISAL:

This appraisal is of the real estate only and specifically excludes personal property (e.g. free-standing appliances). This appraisal report has been prepared for the exclusive benefit of the named client. It may not be used or relied upon by any other party. Any party who uses or relies upon any information in this report, without the preparer's written consent, does so at his/her own risk.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower, the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

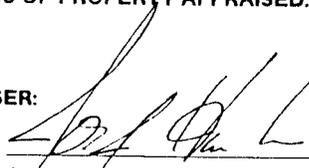
APPRAISERS CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 1138 Thomas Ave., St Paul, MN 55104

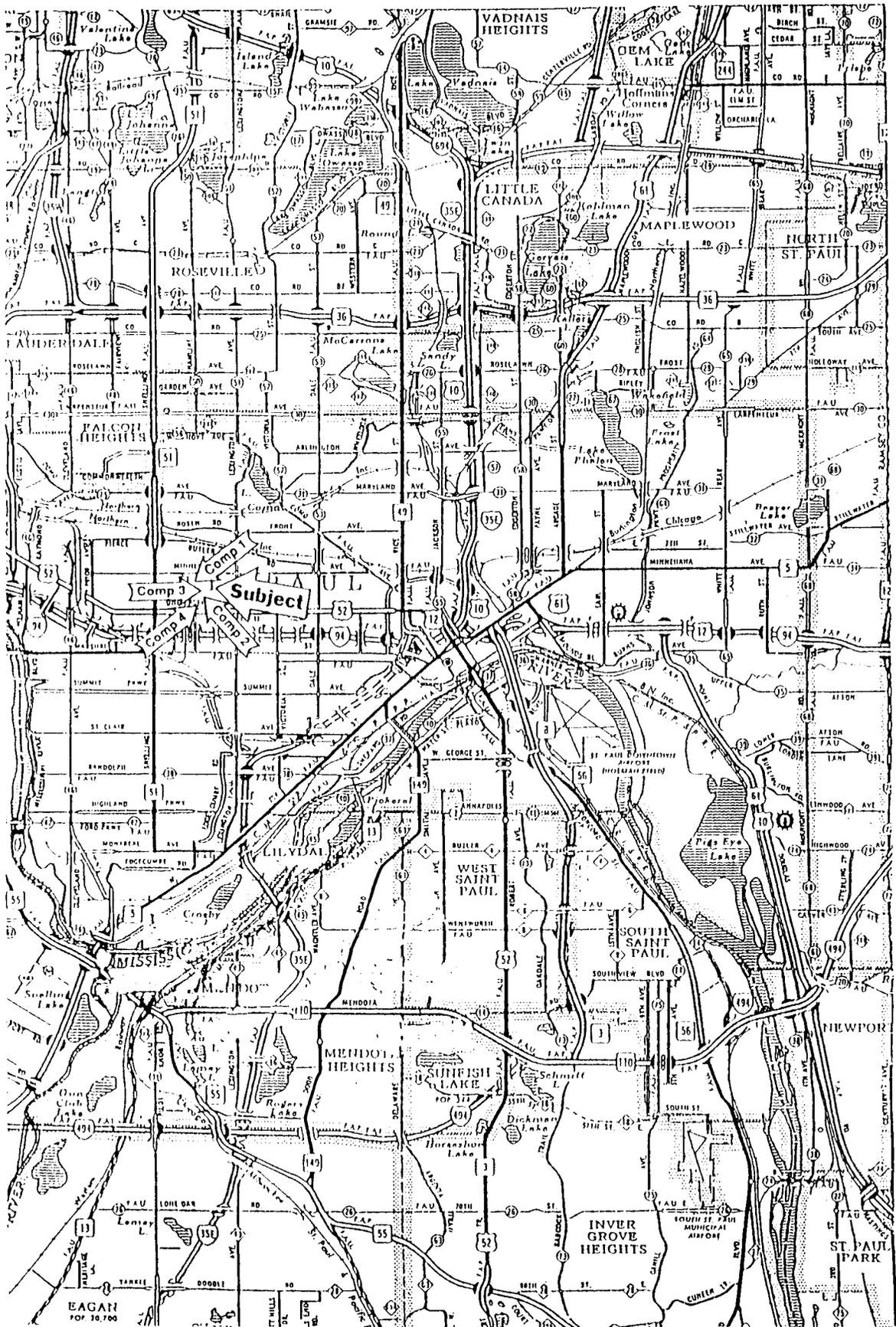
APPRAISER:

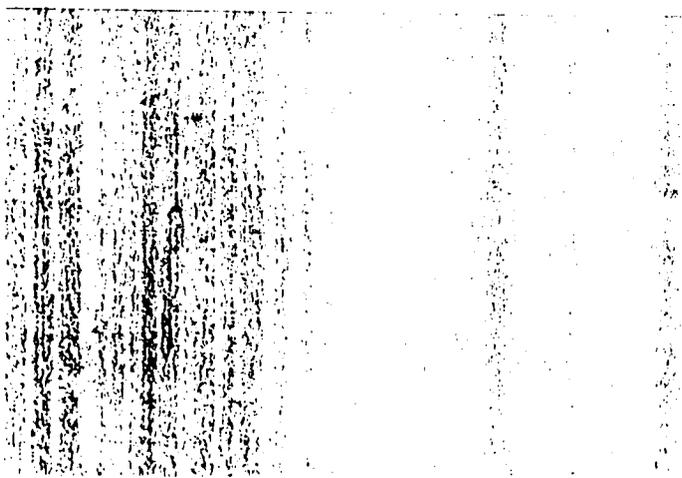
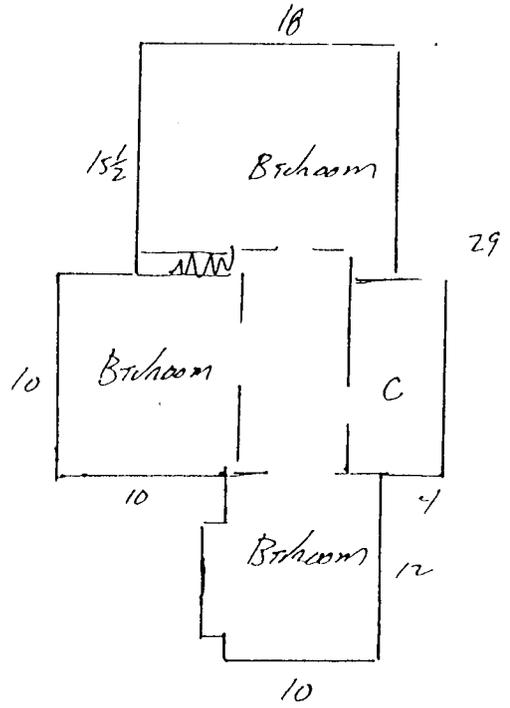
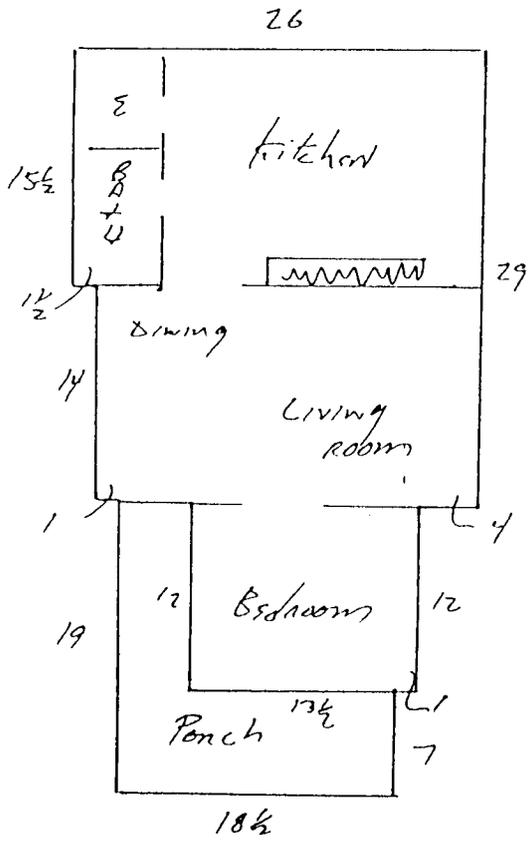
Signature: 
 Name: John J. Hennahan
 Date Signed: 7/23/01
 State Certification #: 4001449
 or State License #: _____
 State: MN
 Expiration Date of Certification or License: 8/31/02

SUPERVISORY APPRAISER (only if required)

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Did Did Not Inspect Property

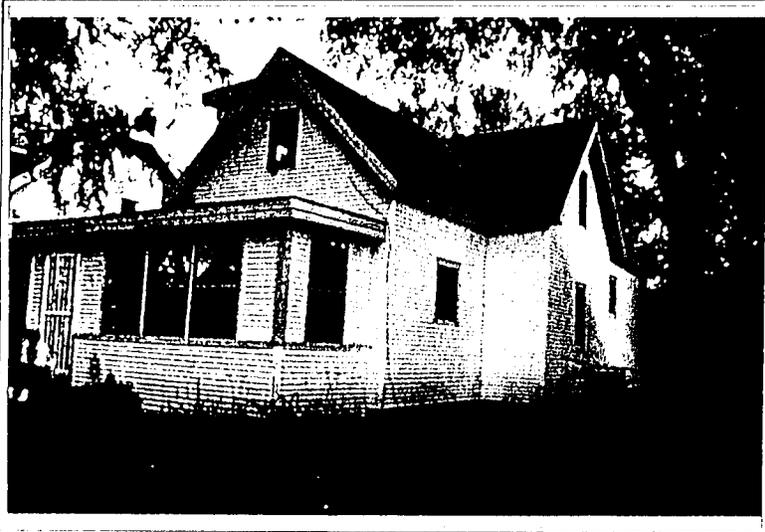




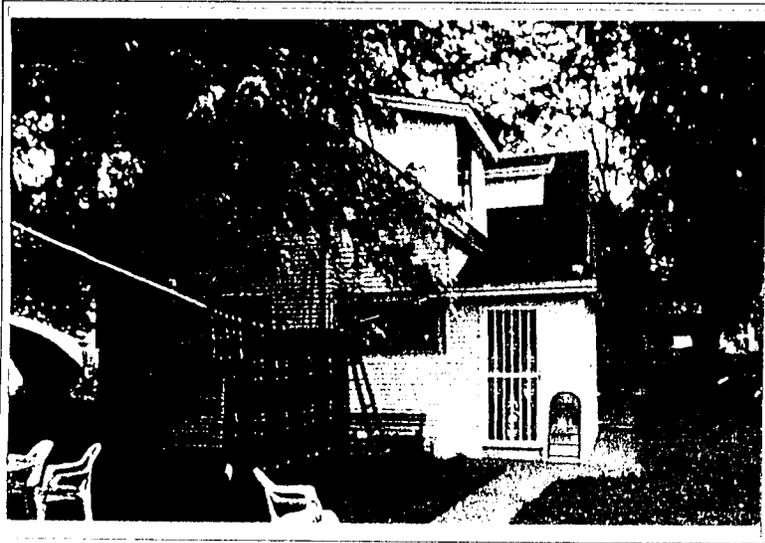
SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Denise Day
Property Address: 1138 Thomas Ave.
City: St Paul
Lender: Liberty State Bank

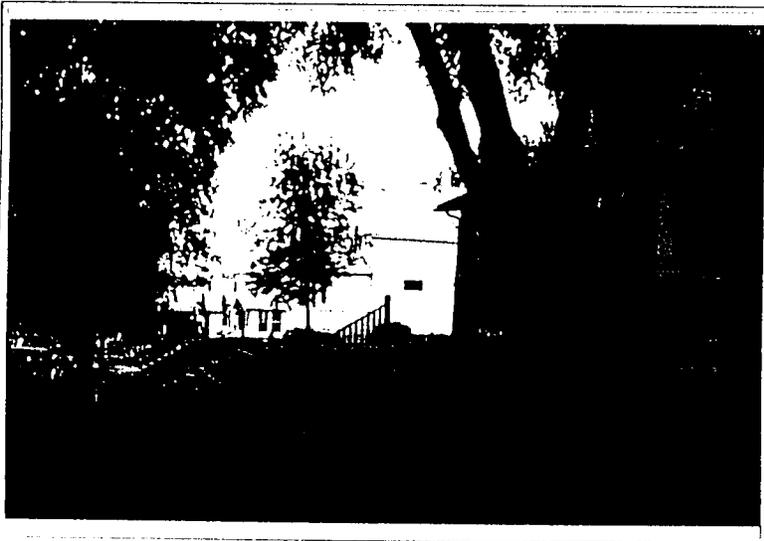
File No.: 39607
Case No.:
State: MN Zip:



**FRONT VIEW OF
SUBJECT PROPERTY**



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE

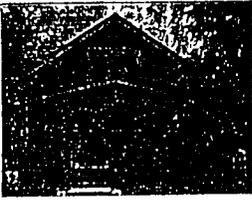
COMPARABLE SALES PHOTO ADDENDUM

CAPITAL APPRAISALS, INC.
 Real Estate Appraisers and Consultant
 258 Humboldt Ave. N.
 Minneapolis, MN 55405
 (612) 377-7786 Fax (612) 377-7818

File No. 39607

COMPARABLE SALE #1

1238 Thomas Ave
 St Paul
 Sale Date: 7/00
 Sale Price: \$110,500



SINGLE FAMILY - PROPERTY TYPE 1 SF
 *** L S 12,900 S S 110,500 SOLD ***
 BR 1 3 TR 1 FRT 1 INT 1 HRE 0 RT 1 SET 25 STORY
 TRN: FNA,CMH
 HT 1 1 (MO: 01/23/00) FIN: 1
 1238 THOMAS TAP 1 836/0000/F MAP 03-01
 MUN ST PAUL ZIP 55104 TMA 1 1,027
 AR 146 SUB 3 DIV 1 COU PAHS ASR 1
 LOT 406124 AC 0.00 HS FOR 0000/FI TPL 1915-M
 DIR THOMAS AVE EAST OF HANLINE 1517982
 NICE 2 STORY IN MIDWAY AREA UPDATED KITCHEN, NEW PAINT, NEW
 CARPET IN LIVING ROOM AND BEDROOM, FINISHED IN BACK YARD WITH
 PERENNIAL GARDENS AND OVERSEE 1 CAR GARAGE CLOSE TO BOTH
 DOWNTOWNS, NEAR SCHOOL AND SHOPPING. SHOW AND SELL!!!
 EQL 5/00/02E MO 3 AND LOT# 10/02E
 PID 142923140004 MAT CONNECT REF.PMG
 L APPROX L APPROX SEM CONNECT WSH.DRY.BUN.FOR.FIN.HMF
 LR N 11811 B1 U 1212 2 2 1 AIR W 12M FNA,CMH
 DR N 11811 B2 U 1212 2 2 1 AIR W 12M FNA,CMH
 FR X 83 U 1212 EXT S/A EXT CLR OD 0 ASH M
 RT N 1211 W 1 X BSM F FIN 1 HC2 H HAZ M
 ON N 1211 X GAR 1.0
 20 N 4420 X 300 M HRT 4
 SON 00625SDP 651-632-3136 FSE 325 AGF 1,072 RCF EST 1,072
 STEVE GOLF REALTY 4481 SC 3 0 SA 0
 STEVE JORDAN CR 3 PHN 651-115-5701
 INFO. DEEMED RELIABLE BUT NOT GUARANTEED APT 651-176-6701
 COPYRIGHT 2000 REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC.

COMPARABLE SALE #2

1145 Charles Ave
 St Paul
 Sale Date: 3/01
 Sale Price: \$113,260



SINGLE FAMILY - PROPERTY TYPE 1 SF
 *** L S 109,700 S S 113,260 SOLD ***
 BR 1 1 TR 1 FRT 1 INT 1 HRE 0 RT 1 SET 1 STORY
 TRN: FNA,VA,FNA,ARG,CMH,CSH
 HT 1 1 (MO: 01/07/01) FIN: 1
 1145 CHARLES AVE TAP 1 804/0000/F HNF 03-107
 MUN ST PAUL ZIP 55104 TMA 1 475
 AR 144 SUB 1 DIV 1 COU PAHS ASR 1
 LOT 354322 AC 0.00 HS FOR 0000/FI TPL 1921-M
 DIR HANLINE-CHARLES(4545)
 WOW!! LOOK AT THIS PRICE!! \$10-\$20K BELOW MARKET VALUE!!
 EYE NEW MAINTENANCE FREQ VENTIL SPRING!! LIVING ROOM FEATURE
 A BEAUTIFUL FULL HALL TERRAZZO!! MINOR COSMETICS MAKE THIS
 HOUSE A HOME!! PART POSSESSION POSSIBLE!! HURRY-WONT LAST!!
 EQL 5/00/02E MO 3 AND LOT# 10/02E
 PID 142923140044 MAT CONNECT REF.PMG
 L APPROX L APPROX SEM CONNECT WSH.DRY.BUN
 LR N 10813 B1 U 1212 2 2 1 AIR W 12M FNA,VA,CMH,ARG,CMH,CSH
 DR N X 82 H 10810 HFA FA /GAS HIC
 FR X 83 U 32210 EXT H/WV EXT CLR OD 0 ASH M
 RT N 108 X RE X BSM F FIN 1 HC2 H HAZ M
 X GAR 1.0
 X 300 M HRT 4
 SON 00625SDP 651-632-3136 FSE 340 AGF 1,200 RCF EST 1,200
 PARADISE REALTY GROUP 4228 MC 2 1 SA 0
 DAN SHAKER 612-382-3843 CR 3 PHN 763-479-2919
 INFO. DEEMED RELIABLE BUT NOT GUARANTEED APT 763-478-3554
 COPYRIGHT 2000 REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC.

COMPARABLE SALE #3

1128 Thomas Ave
 St Paul
 Sale Date: 1/01
 Sale Price: \$104,900



SINGLE FAMILY - PROPERTY TYPE 1 SF
 *** L S 99,700 S S 104,900 SOLD ***
 BR 1 3 TR 2 FRT 2 INT 1 HRE 0 RT 1 SET 25 STORY
 TRN: CMH,CSH
 HT 1 1 (MO: 01/13/01) FIN: 1
 1128 THOMAS AVE TAP 1 812/0000/H MAP 03-103
 MUN ST PAUL ZIP 55104 TMA 1 1,051
 AR 144 SUB 3 DIV 1 COU PAHS ASR 1
 LOT 40 8 122 AC 0.00 HS FOR 0000/FI TPL 1900-M
 DIR 94 TO IREINGTON PARKWAY TO THOMAS 1546082
 NICELY UPDATED WITH NEW CARPET AND WHITE SUNNY PAVED
 KITCHEN, NEWER FURNACE AND BOOTH FLOOR, FLOOR COVER CARPET
 IN LIVING ROOM, HUGE MAIN FLOOR BEDROOM WITH PRIVATE BATH
 GREAT HOME AT A GREAT PRICE!! HURRY!!
 EQL 5/00/02E MO 3 AND LOT# 10/02E
 PID 142923140004 MAT CONNECT REF.PMG
 L APPROX L APPROX SEM CONNECT WSH.DRY.BUN.D/P.SIN.FOR.HMF
 LR N 14811 B1 M 1212 2 2 1 AIR W 12M FNA,VA,CMH,ARG,CMH,CSH
 DR N X 7 D2 H 1212 HFA FA /GAS HIC
 FR X 83 U 136 V EXT HMF EXT CLR OD 0 ASH M
 RT N 136 X RE X BSM F FIN 1 HC2 H HAZ M
 X GAR 2.0 Y
 X 300 M HRT 4
 X 300 M HRT 4
 SON 00625SDP 651-632-3136 FSE 332 AGF 1,114 RCF EST 1,114
 COLMELL BANKER BURNER 3240 MC 2 1 SA 0
 BROWDER GROUP 612-942-6104 CR 3 PHN 952-632-3200
 INFO. DEEMED RELIABLE BUT NOT GUARANTEED APT 952-632-3200
 COPYRIGHT 2000 REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC.

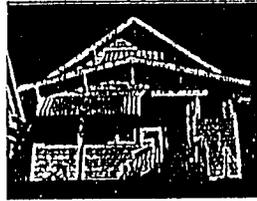
COMPARABLE SALES PHOTO ADDENDUM

CAPITAL APPRAISALS, INC.
 Real Estate Appraisers and Consultants
 258 Humboldt Ave. N.
 Minneapolis, MN 55405
 (612) 377-7786 Fax (612) 377-7818

File No. 39607

COMPARABLE SALE #4

1129 Thomas Ave
 St Paul
 Sale Date: 11/00
 Sale Price: \$95,000



SINGLE FAMILY - PROPERTY TYPE 1 SF
 GR: 1 S 95,000 5 3 45,000 SOLD ***
 BR: 1 TBA: 2 FRT: 1 TRF: 1 INT: 000: 1ST: 1 5ST:
 TRF: CON,CSH
 HT: 29
 1129 THOMAS AVE FIN: 3 TAX: 3 153/0000/F HAF E3-107
 MUN ST PAUL ZIP 55104 TMA: 3 932
 AR 144 SUB 3 DIV 1 COU RANS ASR 1 ASR 11
 LOT 40 X 125 ACR 0.00 HS FOR 0000/F YAL 1916-H
 DIR LEVINGTON S FPNR HEMPHINA CO WEST ON THOMAS P 1515623
 IMMEDIATE POSSESSION/ESTATE HOME IN NEED OF UPDATING.
 CONY OR CASH ONLY. HOME SOLD "AS IS" PRICED BELOW MARKET
 MAY BE HARDWOOD FLOORS UNDER CARPET. SOLID BASEMENT.
 NICE GARNIE. SPACIOUS LIVING/DINING ROOM. CEDAR CLOSET.
 LGL WORKSHOP IN BASEMENT.
 PID 142923110984 WAT CONJECT REC RHC
 L APPROX 4 AFROX SEM CONJECT WSH DMV, HMT
 LR M 16412 B1 M 11810 FPL AIR M TPN CON,CSH INT 0 0008
 DR M 11612 B2 U 12812 HFA GA /CAN HIG OD 0 ASH M
 FR L X B3 H 18111 EXT HWY EXT ENA OD 0 ASH M
 RT M 11810 B4 X BSM F, D FIN 3 MC2 HAZ
 RC L 24872 ST L 106 4 GAR 1, P, F
 10 M 10 76 & NW 1 16110 BBT Y HRT H
 SDH 006755HP 651-632-3734 152 912 AGF 1, 312 BGE 932 ESE 1, 312
 LEHRSCH COMPANY 8192 MC 2 E SA B
 MARK LEHRSCH R 812-724-9017 BR D FIN 651-987-1275
 INFO. DEEMED RELIABLE BUT NOT GUARANTEED APT 651-288-0101
 COPYRIGHT 2000 REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC.



SINGLE FAMILY - PROPERTY TYPE 1 SF
 GR: 1 S 95,000 5 3 105,500 SOLD ***
 BR: 2 TBA: 1 FRT: 1 TRF: 1 INT: 1 ONT: 1 5ST: 25STON:
 TRF: CON,CSH
 HT: 29
 1206 THOMAS AVE FIN: 3 TAX: 3 1,003/0000/F HAF D3 107
 MUN ST PAUL ZIP 55104 TMA: 3 1,003
 AR 144 SUB 3 DIV 1 COU RANS ASR 1 ASR 11
 LOT 40 X 121 ACR 0.11 HS FOR 0001/F YAL 1913-H
 DIR BELDEN LEVINGTON AND HAMILINE. 8 BARS H OF DRIVE. P 1551101
 GREAT EXTERIOR. SOLID HOUSE AND COULD BE CHARMING WITH
 UPDATING AND PAINTING. HARDWOOD FLOORS. SOME NATURAL
 WOODWORK AND OPEN STAIRCASE. ESTATE TO BE SOLD "AS IS".
 CONY OR CASH ONLY. BRING THE BIDDITIONS AND PRE-APPROVED
 LGL LOT 17, BLOCK 2, SANDORH'S HIGHWAY ADDITION
 PID 142923110124 WAT CONJECT REC RHC
 L APPROX 4 AFROX SEM CONJECT BUS FOR, HMT
 LR M 16412 B1 U 15812 FPL M AIR M TPN CON,CSH INT 0 0008
 DR M 12610 B2 U 12111 HCA GA /CAN HIG OD 0 ASH M
 FR X B3 X EXT M/V EXT CLR OD 0 ASH M
 RT M 128 B 04 X BSM F FIN 3 MC2 HAZ
 RD M 126 6 X GAR 1, D MUSE USE "AS IS" ATTACHED
 10 M 10 7 X BBT Y HRT H PERSONAL REF DEED.
 SDH 004255HP 651-632-3734 152 516 AGF 964 BCF ESE 968
 CENTURY 21 JAY BLANK 8081 DC 2 B SA 2 B SA 0
 DSHMA AFFINISM, CRS 651-633-0061 ER M FIN 651-645-5581
 INFO. DEEMED RELIABLE BUT NOT GUARANTEED APT 651-645-5581
 COPYRIGHT 2000 REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC.

COMPARABLE SALE #5

1206 Thomas Ave
 St Paul
 Sale Date: 1/01
 Sale Price: \$105,500

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Records & Revenue

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Quick Info

Property Information

Taxpayer Name and Address

Value Information

Value History

Structure Description

Sale Information

Special Assessments

Property Tax Payment Information

Property Tax Statement/Value Notice

Payment Stubs

Minnesota State Form M1PR

Property Identification Number (PIN) 34.29.23.14.0011

Property Address 1138 Thomas Ave
St. Paul 55104-2536

Property Recorded As

Total Property Tax + Special Assessments \$1,684.00

Assessment Date	01-02-2003	01-02-2004
Tax Payable Year	2004	2005
Total Estimated Market Value	\$152,600	\$164,500
Total Taxable Market Value	\$109,900	\$126,400
Total Estimated Land Value	\$42,000	\$47,800
Total Estimated Building Value	\$110,600	\$116,700

Property Class Description Res. Non-hstd Res. Non-hstd

Year Built 1905

of Stories 1.00

Finished SQ Feet 1098

Foundation Size 784

Plat or Section / Township / Range Sanborn's Midway Addition, to S

Legal Description Sect-34 Twp-029 Range-023
Sanborn's Midway Addition, to
S .14 Ac Lot 11 And Ex W 20 Ft
Lot 12 Blk 1

Last Sale Date 09-01-1995

Price \$64,900



Database Last Refreshed 08-18-2004
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Email: PropertyTaxInfo@co.ramsey.mn.us

Ramsey County is currently experiencing problems with our email system, if you do not receive a reply from us within the next business day, please call our Customer Service Center at 651 266 2000 and we will be happy to help you. Thank you for your patience with us and we are sorry for any inconvenience this may have caused you.



UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 04-43755-NCD

Denise Darsell Day

Chapter 13 case

Debtor

UNSWORN DECLARATION OF SERVICE

I, Shari L. Hunter, hereby declare that I am employed by Patrick J. McGuigan Esq., one of the attorneys for the movant/creditor First Federal Capital Bank, and that on August 25, 2004, I served true and correct copies of the annexed

1. Objection to Confirmation of Chapter 13 Plan;
2. Unsworn Declaration of Service; and
3. Proposed Order denying confirmation of plan

on all persons and entities listed below, at the addresses shown by mailing to each of them a true and correct copy thereof, enclosed in an envelope with first class postage prepaid, and depositing the same in the U.S. Mail at St. Paul, Minnesota:

Denise Darsell Day
301 Bluff Road
Carver, MN 55315

Jasmine Z. Keller
Chapter 13 Trustee
12 South Sixth Street, Suite 310
Minneapolis, MN 55402

Paul E. Ross
Ross & Norton
287 Marschall Rd, Ste 203-A
Shakopee, MN 55379

US Trustee
1015 U.S. Courthouse
300 South Fourth Street
Minneapolis, MN 55415

And I declare, under penalty of perjury, that the foregoing is true and correct.

Dated this 25th day of August, 2004.

/e/ Shari L. Hunter

Shari L. Hunter

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 04-43755-NCD

Denise Darsell Day

Chapter 13 case

Debtor

ORDER

The above-captioned matter came on before the Court on September 2, 2004, for hearing on the confirmation of the debtor's proposed Modified Chapter 13 Plan, and upon the objection of First Federal Capital Bank, a secured creditor, objecting to confirmation of said plan.

Appearances, if any, are noted in the record.

Upon the proceedings at hearing and upon all of the files and records herein,

IT IS HEREBY ORDERED that confirmation of the debtor's Modified Chapter 13 Plan dated August 17, 2004, is denied.

BY THE COURT

Dated: _____

Nancy C. Dreher
Judge of Bankruptcy Court