

Robb Evans
Receiver in the Matter of
United States of America v. John Allen Wheeler

Report of Receiver's Activities
March 1, 2004 through May 31, 2004

In its May 16, 2003 Order, this Court appointed the Receiver and directed the Receiver to file quarterly reports advising the Court of its progress and for payment of the Receiver's fee and out-of-pocket expenses for the Court's approval. This is the third quarterly report. It does not constitute an audit of the financial condition and is intended only to provide information for use by the Court in assessing the progress of the Receivership.

Forfeited Assets

The Court's May 16, 2003 order directed the Receiver to assume and maintain full control of the subject assets. Following is a status report on the assets.

Illiquid Assets

The non-cash assets consist of Personal and Miscellaneous Property, which can be categorized as follows:

- ◆ Farm Equipment
- ◆ Farm Vehicles
- ◆ Off Road Recreational Vehicles
- ◆ Mobile Home
- ◆ Miscellaneous Personal Property

As previously reported, the Receiver determined that the most cost-effective means of disposition of the miscellaneous personal property was to engage the services of a local auction company to sell the forfeited items at a public auction. The public auction sale was conducted on April 17, 2004.

As discussed in the last report, all items, with the exception of the mobile home, were sold under the absolute auction format. The mobile home was to be sold at a minimum of 70% of appraised value, with a stated goal of 80% of appraised value. The mobile home sold for a price that was approximately 66% over the average appraised value.

The auction was very well attended with approximately 360 registrants, which produced active bidding on many of the forfeited items. The farm equipment and vehicles as well as the boating vehicles sold at prices equal to or in excess of the appraised values. Many local vendors and auctioneers in attendance commented that the resulting sale prices were unusually high for an auction of this type. The estate realized net proceeds of \$102,608.48 from the auction and from the sale of the mobile home.

The jewelry assets are in the process of being transported by insured carrier to the Receiver's office.

Administrative Expenses

Under Tab 1 is a report of the expenses incurred by the Receivership from March 1, 2004 through May 31, 2004.

Requests of the Court

The Court is respectfully requested to:

1. Approve this report and confirm the actions of the Receiver described therein.
2. Approve and authorize payment of expenses of the Receivership from March 1, 2004 through May 31, 2004 as detailed under Tab 1.

Respectfully submitted,

/s/

Robb Evans
Receiver