UNITED STATES BANKRUPTCY COURT DISTRICT OF SOUTH DAKOTA

IN RE:)	CASE NO. 87-30085
)	
DUANE JOHN SLUNECKA and)	CHAPTER 12
ROBERT SLUNECKA,)	
)	MEMORANDUM OPINION
)	
Debtors.)	

A valuation hearing was held in the above captioned matter before this Court on March 2, 1988 and continued to March 14, 1988. The Debtors appeared together with their counsel, Max Gors. Farm Home Administration appeared through their attorney, Tom Lloyd, and the Federal Land Bank of Omaha appeared through their counsel, Tim Engel and Brent Wilbur. All parties presented testimony in support of their respective positions. Both Duane and Robert Slunecka testified together with their appraiser, Art Meisner, who also provided written evidence. Clayton Kline appeared as an appraiser for Farm Home Administration, and appraiser Daniel Chase appeared as appraiser for Federal Land Bank of Omaha.

After reviewing the testimony and appraisals submitted the Court is satisfied that by virtue of the unique circumstance of Art Meisner owning property and residing within approximately eight and one half miles of the Slunecka farmstead for a number of years and his thirty—one years as an appraiser and farm manager, his opinion as to land values is the most accurate. Accordingly, the Court accepts the Meisner value for the 1,419 acres comprising the Robert Slunecka farm located in the SW 1/4, All of 18, N ½ & the SE 1/4 of 19, N ½ NW 1/4 of 30 - 114 - 70, and the SW 1/4 of 115 - 71. is value is \$133,785.00. However, in reviewing the testimony submitted

by appraisers Chase and Kline, the Court is satisfied that the value attributed to building contribution by appraiser Meisner is low. I accordingly adopt the building contribution value as determined by appraiser Kline of \$29,100.00, giving a total value for the Robert Slunecka farm of \$162,885.00, or a per acre value of \$114.79.

As to the Duane Slunecka farm, consisting of 1,509 acres located in the SE 1/4 of 7, N ½ of 18 - 114 - 69; the II ½ of 13, the N ½ of 17, the NE 1/4 of 22, NE 1/4 and S 1y2 of the NW 1/4 of 30 - 114 - 70, the Court establishes the value of the land of \$104,750.00- Again, adjusting the value of the building contribution to \$28,400.00, the Court establishes a total value of \$133,150.00, or a per acre value of \$38.24.

The Court again did not make any adjustments to Mr. Meisner 's land values regarding the Duane Slunecka land. As previously indicated, because he has resided in the area for many years, and has thirty-one years experience as an appraiser, he possesses unique qualifications in this case. The Court is satisfied that Mr. Meisner is acutely aware of the current market in the Faulk and Hand County and surrounding areas and has accordingly afforded great weight to his opinion in this case.

In reference to the legal issues raised in the parties' 506 Pre-Trial Joint Statement, based on the mortgage values in the statement it does not appear Federal Land Bank is a fully secured creditor. The issues raised there regarding attorney's fees and costs therefore appear moot. The Court does not now hold whether Federal Land Bank is fully secured, however.

This matter constitutes a core proceeding. Counsel for the Debtors may prepare appropriate findings of fact, conclusions of law and an Order.

Dated this 21st day of June, 1988.

BY THE COURT:

Irvin N. Hoyt Bankruptcy Judge

ATTEST:

PATRICIA MERRITT, CLERK

By______

Deputy

(SEAL)