

**COURT OF COMMON PLEAS  
HAMILTON COUNTY, OHIO**

EAGLE SAVINGS BANK

Plaintiff,

vs.

BARBARA J. POTRAFFKE, et al.

Defendants.

Case No. A1702441

Judge Jerome J. Metz

**AFFIDAVIT OF  
SHAUGHN DAILY**

STATE OF OHIO            )  
  ) SS  
COUNTY OF HAMILTON )

Now comes the Affiant, Shaughn Daily, being first duly sworn and cautioned, and hereby states as follows for his Affidavit:

1. My name is Shaughn Daily. My business address is 5254 Ridge Road, Cincinnati, Ohio 45213.
2. I am competent to testify to the matter herein and I am the Private Selling Officer (“PSO”) for Prodigy Properties, LLC, whose business address is 5254 Ridge Rd., Cincinnati, Ohio 45213 (“Prodigy Properties”).
3. I am a licensed auctioneer in the state of Ohio. A true and accurate copy of my license is attached as Exhibit B to Plaintiff’s Motion to Appoint Private Selling Officer (“Motion”).
4. I am also a licensed real estate salesperson in the state of Ohio. A true and accurate copy of my license is attached as Exhibit C to the Motion.
5. I work with the Managing Director of Prodigy Properties, Jeff Lane, with respect to the sale of real estate in Ohio.

6. I have personally conducted more than 350 auctions and I have been appointed Private Selling Officer in four cases to date with multiple other applications pending.

7. In my experience, most bank foreclosed properties do not sell to third parties at sheriff's sale. The majority of them are purchased by the foreclosure plaintiff and have to be resold. In fact, the nearly 4,000 sales that Prodigy Properties has closed all involve foreclosures that did not sell to a third party at Sheriff's sale. These are referred to as "REO" or "real estate owned" properties.

8. Prodigy Properties has been selling real estate through the judicial process since 2008, it has marketed and sold nearly 4,000 foreclosed pieces of real estate since 2001, and it has been a court appointed receiver in more than 170 judicial foreclosures.

9. In general, the PSO sale process has a number of significant advantages over a traditional sheriff's sale. Some of those advantages include:

- a. Being able to engage in marketing techniques that are proven to reach more potential buyers than a sheriff's advertisement. This includes listing the property in the Multiple Listing Service ("MLS") which is a database and software service utilized by real estate professionals representing sellers under a listing contract to widely share information about properties and is the industry standard with respect to the purchase and sale of residential real estate in the Greater Cincinnati, Ohio area and nationwide. In appropriate circumstances, the PSO sale process also allows for direct marketing to potential buyers such as e-mail blasts and targeted mailings. These marketing efforts are significantly more effective than the publication process in Hamilton County for sheriff's sales which

is once weekly for three weeks in the Cincinnati Court Index - a process that is still utilized as part of the PSO sale process. In other words, the PSO sale process provides the same minimal level of sale publication as a sheriff's sale, plus it adds the ability to utilize the MLS and additional marketing efforts.

- b. The ability to offer co-op fees to real estate agents who find a third party to purchase foreclosed property which increases the exposure of the property to the market and incentives to third parties to market the sale to more than 90,000 real estate agents in the State of Ohio and more than 6,000 in Hamilton County alone.
- c. Conducting online auctions that last at least seven days. This online format allows for the submission of bids by those who may be deterred by the traditional sheriff sale process of appearing in person for a live sheriff's sale and extends the scope of the sale process from the sheriff's department to anyone with Internet access which allows for a wider audience and more auction participation resulting in higher sale prices.
- d. Providing potential buyers and realtors access to licensed real estate salespersons whom they can talk to about the foreclosed real estate and the private sale process in general - whereas a sheriff's sale provides only the identification of the property and the terms of sale.
- e. Being able to sign and transfer a deed at closing, which opens up the sale to buyers that need bank financing. This is a significant advantage over sheriff's sale in which the process highly restricts the market to cash only

buyers which, in turn, generates a smaller pool of potential purchasers and drives the sale prices down.

- f. Having the ability to show vacant properties to potential buyers and realtors, which opens up the sale to potential owner occupiers and buyers that need bank financing. This allows for an educated bid at the auction instead of assuming the worst case condition resulting in a lower bid. A sheriff's sale does not allow for interior access.
  - g. The ability to accept credit card payments of bid deposits. Again, this extends the market by removing obstacles to funding the transaction such as requiring cash on the day of sale as in a sheriff's sale.
10. All of the above mentioned advantages result in more third party buyers being aware that real estate is being auctioned.
11. The real estate that is the subject of this action is 110 Lellan Avenue, Harrison, Ohio 45030, Parcel No. 561-9-212 ("Property").
12. Prodigy Properties has a marketing team of 18 employees.
13. In addition to advertising the Property in the Court Index, I would utilize the MLS for this Property. Another significant advantage to using the MLS is that the MLS automatically syndicates to hundreds of other websites like Realtor.com, Zillow and Trulia; as well as other cooperating broker sites like Sibcy Cline and Coldwell Banker. That exposure dramatically increases the potential for multiple third party purchasers being interested in purchasing the Property.
14. As an auctioneer, I want as many interested potential buyers to be involved in an auction as possible because that directly correlates into a higher winning bid amount.

15. Once the Property has been properly marketed to reach a maximum number of potential buyers (during the three week marketing period the Property will be pre-listed on [www.ohioforeclosures.com](http://www.ohioforeclosures.com) as “coming soon”), I will list the Property for sale online at [www.ohioforeclosures.com](http://www.ohioforeclosures.com) and the bidding will be open for seven days. This is a dedicated website established by Prodigy Properties for PSO sales, as well as other judicial sales.

16. A sheriff's sale is limited to only individuals who themselves, or by and through an authorized representative, are able to be physically present at the auction. An online auction allows bidders to bid from anywhere in the world using their phone, tablet, or personal computer. As such, an online auction dramatically increases the pool of potential bidders, which in turn drives up the sale price.


17. Based on my knowledge and experience and the aforementioned advantages that I have over the Sheriff, it is my opinion that it is more likely than not that I will be able to sell this Property to a third party purchaser for a price that is 10% greater than what the Property would sell at Sheriff's sale.

18. While the PSO sale process is new, having not been in effect for a year, I can point to an example which is consistent with my opinions in this Affidavit. On November 24, 2015, the Hamilton County Sheriff conducted a sheriff's sale in *Legacy Condominium Owners Ass'n v. Fanelli*, Case No. A1502846. As with the Property in the case at bar, the property in the *Fanelli* foreclosure was a condominium. The property passed at sale for no bid. Subsequently, Judge Robert C. Winkler appointed a PSO to sell the *Fanelli* property. While the sheriff's sale of the *Fanelli* property failed to generate a minimum bid of \$78,000, the PSO sale generated a high bid of \$85,001

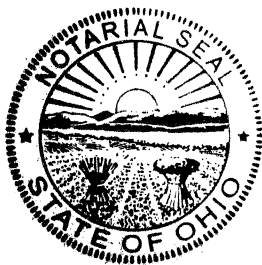
which, after adding the 10% buyer's premium to the sale price, returned a total sales price of \$93,501.10.

20. By enacting HB 390 to provide for PSO sales, the General Assembly modernized Ohio's foreclosure sale process in a manner which benefits both the foreclosing party and the property owner. If the Property passes for no bid at a sheriff's sale, it will be re-offered for sale under the same process and same publication two weeks later for no minimum bid. On the other hand, a PSO sale is designed to elicit the highest and best price for the Property through a marketed auction to a much broader market.


FURTHER, AFFIANT SAYETH NAUGHT.

  
SHAUGHN DAILY

Sworn to and subscribed to before me this 25<sup>th</sup> day of January, 2018 by Shaughn Daily.



Sarah J. Stagge  
Notary Public, State of Ohio  
My Commission Expires 04-11-2018

  
Notary Public

