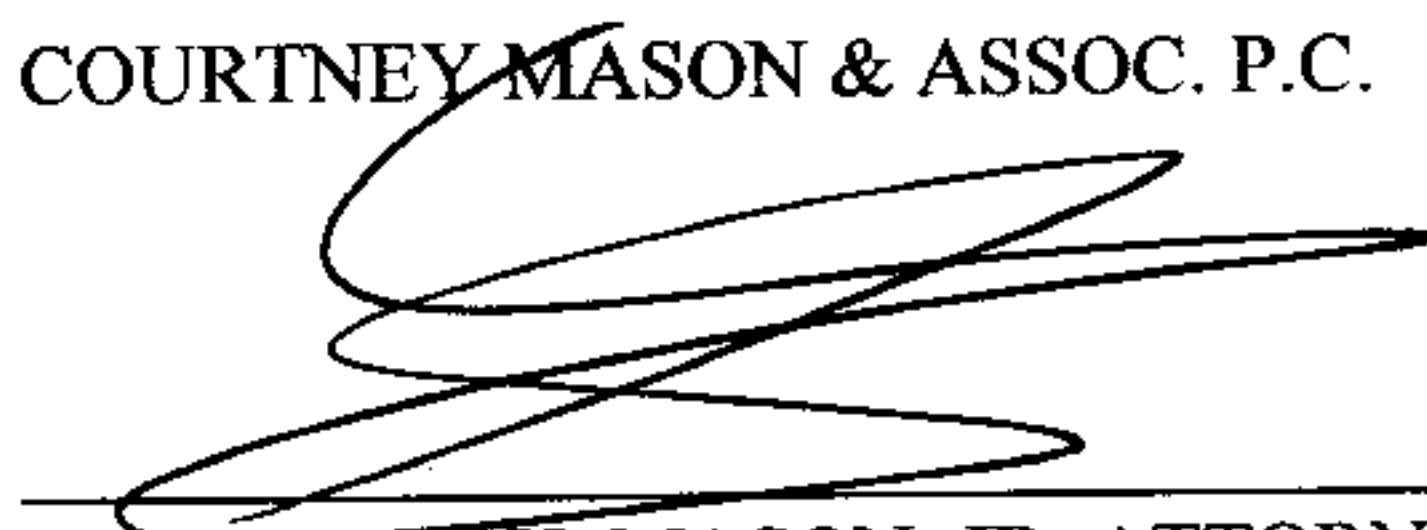


AFFIDAVIT

I, THE UNDERSIGNED CLOSING ATTORNEY, AFFIRM THAT I CLOSED A REAL ESTATE TRANSACTION FOR PROPERTY LOCATED AT 5305 MOUNTAIN PARK DRIVE, PELHAM, ALABAMA 35124 ON MAY 12, 1999. FROM THE PROCEEDS OF THE SALE I PAID THE DEPARTMENT OF TREASURY - INTERNAL REVENUE SERVICE \$41,174.28 IN ACCORDANCE WITH THE ATTACHED COURT ORDER ENTERED APRIL 29, 1999 UNDER CASE #96-1413-TBB-13 AND THE ATTACHED LETTER DATED MAY 12, 1999, FROM THE U.S. DEPARTMENT OF JUSTICE BY RICHARD E. O'NEAL, ASSISTANT UNITED STATES ATTORNEY.

COURTNEY MASON & ASSOC. P.C.


COURTNEY H. MASON, JR. ATTORNEY

Inst # 1999-20580
05/14/1999-20580
04:01 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 SNA 16.00

SWORN TO AND SUBSCRIBED BEFORE ME ON MAY 12, 1999.


NOTARY PUBLIC

MY COMMISSION EXPIRES: 2-20-03

PEGGY I. MURPHREE
MY COMMISSION EXPIRES FEBRUARY 20, 2003



U.S. Department of Justice

G. Douglas Jones
United States Attorney
Northern District of Alabama

Suite 200, Robert Vance Federal Building
1800 Fifth Avenue, North
Birmingham, AL 35203

(205) 731-1785
FAX (205) 731-0674

May 12, 1999

Mr. Courtney H. Mason, Jr.
Attorney at Law
P.O. Box 360187
Birmingham, Alabama 35236-0187

BY FACSIMILE
[REDACTED]

Attention: Peggy Murphree

Re: Gordon Lamar Cagle and Deborah F. Cagle
Bankruptcy Case No: 96-01413
Chapter 13

Dear Mr. Mason,

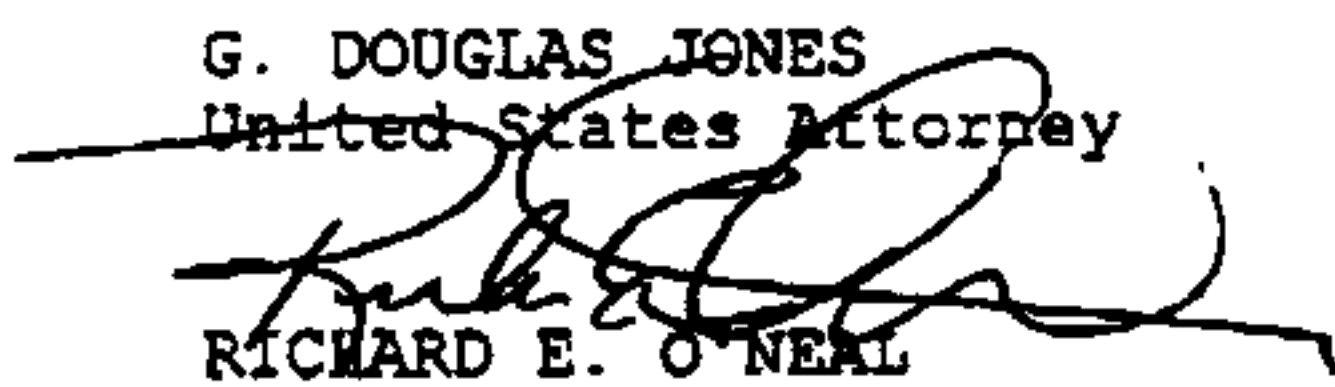
Please be advised that we represent the IRS in the above referenced matter and did in fact represent the IRS at the hearing on the Cagles' motion to sell real estate to Thomas Kline and Karen Holton.

We have reviewed the Order dated April 29, 1999 on the sale of the real estate with the IRS. The IRS has authorized us to inform you and other interested parties to the sale that pursuant to paragraph number (3) of the Order, upon the closing of the sale and the remittance of the sum due the IRS in accordance with the closing statement, the property which is the subject of the sale will be discharged from the operation of the Notice of Federal Tax Lien which was recorded on October 9, 1995 in the Office of the Judge of Probate in Shelby County, Alabama. The tax lien will no longer attach to the real estate which is the subject of the sale and will only attach to the proceeds of the sale which are due to be remitted to the IRS and the trustee.

Hopefully, the position of the IRS as set forth herein, will allow the real state closing to go forward in a timely manner. The proceeds due the IRS must be forwarded to this office with a copy of the deed and closing statement. If we can be of further assistance in this matter, please contact us at 205-731-1785.

Sincerely,

G. DOUGLAS JONES
United States Attorney


RICHARD E. O'NEAL
Assistant United States Attorney

cc: Ms. Linda Bailey
BY FACSIMILE [REDACTED]

Mr. Steven Altman, Esq.
BY FACSIMILE [REDACTED]

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

ENTERED

APR 29 1999

Clerk, U.S. Bankruptcy Court
Northern District of Alabama
By: _____

IN RE:

GORDON LAMAR CAGLE,
DEBORAH F. CAGLE,

DEBTORS.

CASE NO. 96-1413-TBB-13

ORDER

This matter having come before the Court for hearing on April 28, 1999, to consider the Debtors' Motion to Sell Secured Property by Private Sale Free and Clear of liens and Other Interests to Thomas C. Lines and Karen A. Holton and Motion to Incur Debt to Purchase a New Home; appearing were Steven D. Altmann, attorney for the Debtors, Richard O'Neal, attorney for the Internal Revenue Service, and D. Sims Crawford attorney for the Chapter 13 Trustee. The Court, having considered the pleadings, and arguments of counsel has determined that the Motion is due to be **GRANTED**; now therefore,

It is hereby **ORDERED, ADJUDGED and DECREED** that the Debtors' Motion to Sell Secured Property by Private Sale Free and Clear of Liens and Other Interests to Thomas C. Lines and Karen A. Holton and Motion to Incur Debt to Purchase a New Home is **GRANTED**, and the Debtors are authorized to sell their house located at 5305 Mountain Park Drive, Pelham, Alabama 35124, to Thomas C. Lines and Karen A. Holton for a purchase price of \$270,000.00, free and clear of all liens and interests in such property, in accordance with the following:

(1) The Closing Attorney is authorized to pay the Mortgage held by Union Planters PMAC, Inc. f/k/a Magna Mortgage Corporation in full satisfaction of its lien;

(2) The Closing Attorney is authorized to pay the Mortgage held by City Finance in full satisfaction of its lien;

(3) The Closing Attorney is authorized to pay up to \$41,400.53 to the Internal Revenue Service in full satisfaction of their lien against this property; however, said payment shall not release their lien claim against the \$10,000.00 sum of monies claimed as exempt and which is to be held by the Trustee of the Debtors' estates;

(4) The Closing Attorney is authorized to pay all ordinary and necessary costs associated with the sale of the aforementioned property, including but not limited to all necessary

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/e

repair expenses required by the sales contract;

(5) The Closing Attorney is instructed to disburse \$26,200.00 to David P. Rogers, Jr., Chapter 13 Trustee in lieu of the \$16,200.00 payment to the real estate agents for the real estate commission and the \$10,000.00 cash to the seller;

(6) The Chapter 13 Trustee is instructed to hold the \$26,200.00 in an escrow account for the Debtors until further order from this Court;

(7) Further, any and all liens or other encumbrances not paid in full pursuant to this order shall attach to the proceeds of sale of said real property to the same extent and priority each may have had against said real property.

Debtors are further authorized to incur new debt necessary to purchase the home located at 4208 Heritage Oaks Circle from Cendant Mobility Services Corporation for \$159,500.00.

Dated:

4/29/99


THOMAS B. BENNETT
United States Bankruptcy Judge

Inst # 1999-20580

05/14/1999-20580
04:01 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 SNA 16.00