

IN THE CIRCUIT COURT OF JEFFERSON COUNTY, ALABAMA

IN THE MATTER OF THE ESTATE OF)

Estate of Veronica A. Dobbins a.k.a.)
Veronica Alice Skottey Zeigler.)

Deceased.)

)Circuit Court Case No.
)2008 1725JB

)PROBATE CASE NO. 196905

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NOV 18 2008
ANNE-MARIE ADAMS
Clerk

ORDER AUTHORIZING THE EXECUTOR TO ACT

This matter was set for hearing on November 7, 2008 in connection with the following issues:

1. The issue of the existing Judicial Order approving the action of Executor dated the 31st day of October, 2008 relating to Covenant Bank and the Order approving the sale of the real property in Alabaster by auction.
2. The issue of the additional title problem relating to the fact that Covenant Bank (hereinafter **COVENANT**) has first mortgages on both the Royal Crown Condominium (hereinafter **CONDO**) property and the Shelby County Alabaster property (hereinafter **ALABASTER**).
3. The issue of the problem that the **ALABASTER** property is currently subject to a prior Order of this Court authorizing the closing of the auction sale.
4. That legal issues relating to the fact that the Will has no power



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Jefferson County, Alabama

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Judge of Probate- Alan L. King

of sale.

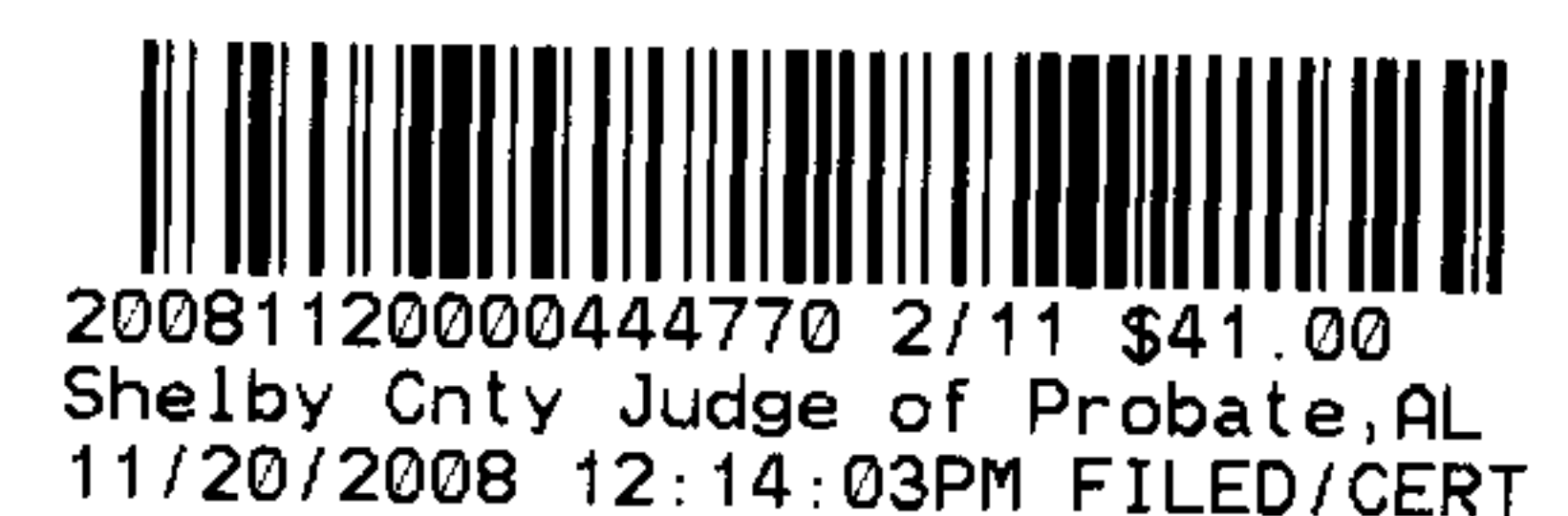
Appearing in Open Court at the Hearing were the following parties:

1. William D. Dobbins as Executor of the Estate represented by Attorney M. Wayne Wheeler, (hereinafter **DOBBINS**).
2. Covenant Bank represented by Attorney Lee Barnes, (hereinafter **COVENANT**).
3. Sharon Graham represented by Attorneys, Pat Clotfelter and Andrew J. Potts (hereinafter **GRAHAM**).
4. The Court notes that Notice has been given to other parties to this testamentary proceeding, but none have appeared.

Having considered the arguments of Counsels, the stated agreements of the parties in Open Court, and the prior Orders of this Court; the Court finds that relief is due to be granted and the stated agreement of the parties ratified and approved. It is therefore **ORDERED** as follows:

1. That this Order is made with reference to the following described legal property:

A. **Regency Crown Condominium**



Unit 600, in the Regency Crown, a condominium, to the Declaration of Condominium as recorded in Real volume 1998, Page 494, and By-Laws thereto as recorded in Real volume 1998, Page 535, in the Office of the Judge of Probate of Jefferson County, Alabama, together with an undivided interest in the common elements as set forth in paragraph 4-C (1) of the aforementioned Declaration. Said unit being more particularly described in the floor plans and architectural drawings of Regency Crown, a condominium, as recorded in Map Book 127, Page 10, in said Probate Office.

B. Alabaster (Shelby County) property:

Part of the south half of the southwest quarter and part of the southwest quarter of the southeast

**quarter, all in Section 30, Township
20 South, Range 2 West, Shelby
County, Alabama, said part being
more particularly described as
follows:**

**Beginning at the northeast corner of said
southwest quarter of southeast quarter, run
south along the east line of said 1/4-1/4 section
for a distance of 1,110.82 feet; thence turn an
angle to the right of 89 degrees 56 minutes and
run westerly for a distance of 3,397.86 feet;
thence turn an angle to the right of 48 degrees
41 minutes and run northwesterly for a distance
of 910.26 feet to a point on the southeast line of
the right of way of Shelby County Road No. 11,
thence turn an angle to the right of 90 degrees
and run northeasterly along said road right of
way line for a distance of 650 feet to a point on
the north line of the southwest quarter of
southwest quarter of said Section 30 which is
3,512.05 feet west of the point of beginning;
thence east along said north line a distance of
3,512.05 feet to the point of beginning.**

C. Promenade property: (hereinafter PROMENADE)

Commence at the Northeast corner of the NW 1/4 of the SW 1/4 of Section 75, Township 20 South, Range 3 West, Shelby County, Alabama and run thence Westerly along the North line of said 1/4-1/4 section a distance of 327.60 feet to a point on the Easterly right of way line of U.S. Highway 31, thence turn a deflection angle 75 deg. 32 min to the left and run southeasterly along the said easterly right of way line of said Hwy North 31 a distance of 514.00 feet to the point of beginning of the property course a distance of 280.00 feet to a point marking the intersection of the easterly right of way line of said Shelby County No. 68 a distance of angle of 99 deg. 47 min. 10 sec. To the left and run northeasterly a distance of 361.32 feet to a point these turn a deflection angle of 103 deg. 58 min. 40 section to the left and

run easterly a distance of 199.50 feet
to the point of beginning, being
situated in Shelby County, Alabama.

Mineral and mining rights excepted.

2. Upon the completion of the matters set out below by the **ESTATE, COVENANT** shall release its First Mortgage financing security and lien on the **ALABASTER** property. It is the stated intent of all of the parties to allow the Auction Sale of the **ALABASTER** property to be closed by Attorney Scott Roebuck such that said property may be sold free and clear of the Covenant First Mortgage, and that a clear title insurance policy may be issued to the Purchaser.
3. **COVENANT'S** existing first mortgage financing and the terms contained therein on the **CONDO** is ratified and approved by the Court as regards the **CONDO**; however the parties acknowledge that the terms of the original loan with **COVENANT** will be reworked as provided herein (the **REFINANCED COVENANT LOAN**).
4. The Estate of Veronica A. Dobbins aka Veronica A. Zeigler (hereinafter **ESTATE**) is authorized and shall execute a second



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mortgage financing agreement making the **PROMENADE** property additional security for **COVENANT** on the **REFINANCED COVENANT LOAN**.

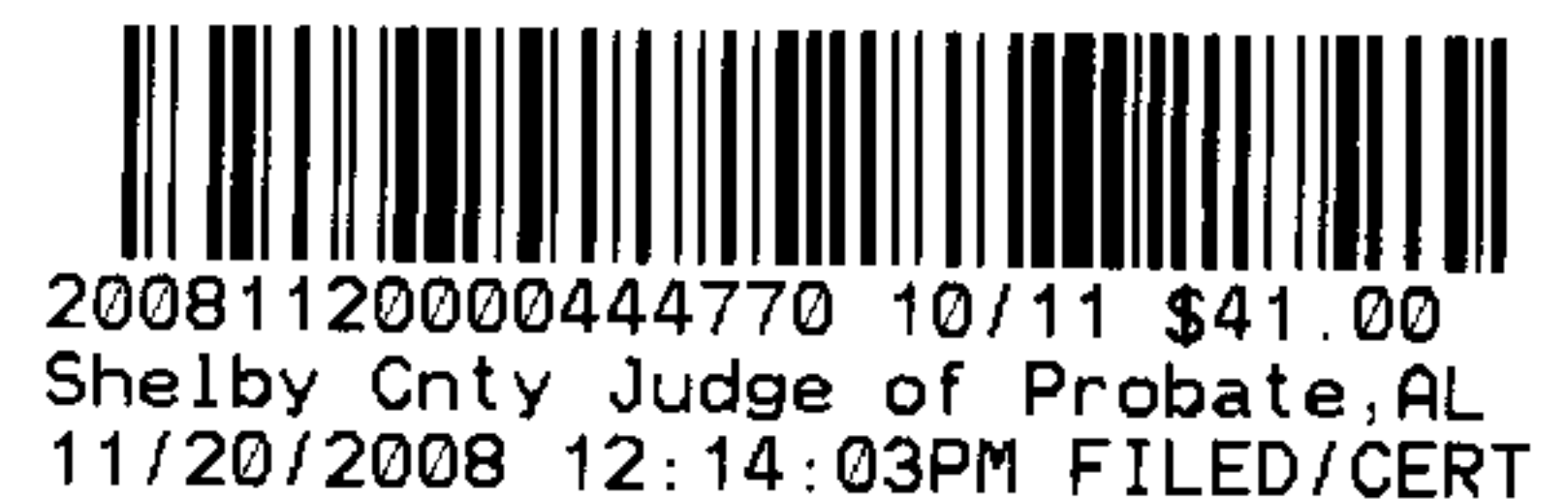
5. Said named Executor shall be authorized and is ordered by this Court to execute on behalf of the **ESTATE** all standard closing documents in order to secure the **REFINANCED COVENANT LOAN** with a second mortgage on the **PROMENADE** property, as well as an assignment of leases, current leases and rent roles on the **PROMENADE** property as part of such loan package.
6. That as part of the **REFINANCED COVENANT LOAN** by **COVENANT** to the **ESTATE** the following terms shall apply:
 - A. The principal balance of the **REFINANCED COVENANT LOAN** shall be \$349,930.00.
 - B. Upon the payment of the current interest by the **ESTATE** (that would be due in January, 2009) from the proceeds of the sale of the **ALABASTER** property, the current indebtedness to **COVENANT** shall be reworked from an "Interest Only" payment every 6 months to a monthly payment of principal and interest by the **ESTATE**.

- C. The monthly payment from the **ESTATE** on the **REFINANCED COVENANT LOAN** shall be approximately \$2362.76 a month beginning with the month following the closing on the **ALABASTER** property. Said loan shall be calculated for 25 years at 6.5 per annum with a three year balloon payment of \$331,411.00 of all outstanding principal and accrued and unpaid interest.
- D. Said monthly payments due from the **ESTATE** to **COVENANT** shall be paid first as a priority debt from the net revenue derived from the general operation of the Promenade shopping center operational income. Said net revenue shall be established as that sum remaining after payment of the existing first mortgage and all reasonable and necessary expenses of operation.
- E. In the event there are insufficient funds to pay the monthly mortgage payment as set out above, the Executor shall be liable to pay said deficiency as a personal obligation.
- F. The payment of any deficiency by the Executor shall be as an administrative loan to the **ESTATE** without interest.

7. Upon the closing of the sale of the **ALABASTER** property, the Executor shall be authorized and is ordered to pay from said net proceeds of the sale, the following items as priority debts of the **ESTATE**:

- A. The Federal Estate Tax liability, including penalties and interest, that is now due, in the approximate amount of \$238,000.00.
- B. The interest payment due to **COVENANT** of approximately \$11,000.00 that would be due in January 2009.
- C. The existing fees of the **ESTATE**'s CPA of approximately \$7,200.00 that are currently due.
- D. Any overage of funds from said sales closing shall be retained by the estate for the purpose of the payment of real estate taxes on ESTATE property.
- E. Said above debts are established as priority debts and the Executor shall be ordered to pay said debts.
- F: The Executor shall furnish to all heirs a general report of the above payments.

8. In the event the **ESTATE** receives a refund of any Federal Estate Taxes, then such funds shall be paid to **COVENANT** to reduce the principal amount of the **REFINANCED COVENANT LOAN**. In such event, **COVENANT**, at its option, is authorized to rework the terms of the existing financing package.
9. The personal liability of **DOBBINS**, individually, at **COVENANT** shall remain and shall include his personal liability as to the **CONDO** first mortgage , the second Mortgage position on the **PROMENADE**, and the payment of the monthly payment due to **COVENANT**. In the event **COVENANT** requires **DOBBINS** to execute additional personal guarantees, **DOBBINS** shall execute such additional personal guarantees in the form required by **COVENANT**.
10. In the event the **CONDO** is sold, then all funds from said sale shall be applied to retire and/or discharge the mortgages at **COVENANT** Bank, and the second Mortgage at **PROMENADE**. When the **ESTATE** is no longer required to make payments to **COVENANT**, said Executor shall be discharged from further liability as to the **REFINANCED COVENANT LOAN**.
11. Due to lack of express authority in the Will, **DOBBINS** by Court direction is ordered and/or authorized to do all reasonable acts



to accomplish the terms of this Order.

12. **DOBBINS'** attorney shall record a copy of this Order in the Birmingham and Bessemer Division of the Probate Court of Jefferson County, Alabama and shall mail copies of this Order to all parties.
13. After the payment of the **ESTATE'S** Federal Estate liability as provided for herein, the Executor is authorized to take steps to amend the Federal Estate Tax Return to seek a refund based on the values as established by the auction sale of the **ALABASTER** property should the **ESTATE**, after receiving appropriate accounting and legal advice, conclude that such amendment is reasonable and appropriate.
14. The Court retains jurisdiction of this **ESTATE** for additional orders.
15. Costs taxed to the **ESTATE**.


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DONE and **ORDERED** this the 18⁴ day of November, 2008.

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Fee - \$35.00

Total of Fees and Taxes-\$35.00
JCOCKRELL



Circuit Judge