

BEFORE THE ALABAMA DEPARTMENT OF REVENUE

**In re: CENTENNIAL BANK,
Lender/Petitioner**

**A Proceeding Authorized by:
*Alabama Code § 40-22-2 (2) and (8)***

MORTGAGE PRIVILEGE TAX ORDER

Comes Petitioner, **Centennial Bank**, an Arkansas Banking Corporation and requests the Alabama Department of Revenue to fix and determine the amount of recording tax due, pursuant to *Alabama Code* (1975) §40-22-2(2), upon the recordation of a mortgage in the principal amount of Fifty Million and No/100 (\$50,000,000.00) Dollars from Adams Homes, LLC, an Alabama limited liability company, in favor of the Petitioner. The said Mortgage encompasses property located in and outside the State of Alabama and in more than one county in Alabama.

Upon consideration of the Petition and evidence offered in its support, the Alabama Department of Revenue finds as follows:

1. That the maximum indebtedness owed pursuant to the Mortgage, and secured by the Mortgage is Fifty Million and No/100 (\$50,000,000.00) Dollars.
2. That the Petitioner desires to pay recording tax on the maximum indebtedness, allocable to the secured assets which are located in the State of Alabama.
3. That the Petitioner has previously recorded Mortgages securing the debt in Baldwin and Mobile Counties, Alabama and now wishes to add property located in **Madison, Limestone and Shelby Counties**, Alabama as additional collateral securing the aforesaid debt.
4. That the total value of all property covered by the Said Mortgage, both in and outside the State of Alabama, is Fourteen Million, Five Hundred Sixty Eight Thousand, Three Hundred Thirty Six and 70/100 (**\$14,568,336.70**)
5. That the total value of all property located within the State of Alabama, and covered by the Said Mortgage is Two Million, Six Hundred Nine Thousand, One Hundred Nine and 99/100 (**\$2,609,109.99**) or **17.909%** of the value of all property covered by said mortgage.

6. That the amount of indebtedness which is allocable to Alabama, and upon which recording tax is due, is Eight Million Nine Hundred Fifty Four Thousand, Five Hundred and No/100 (**\$8,954,500.00**) Dollars.

7. That the relative values of the property lying within the State of Alabama are as follows:

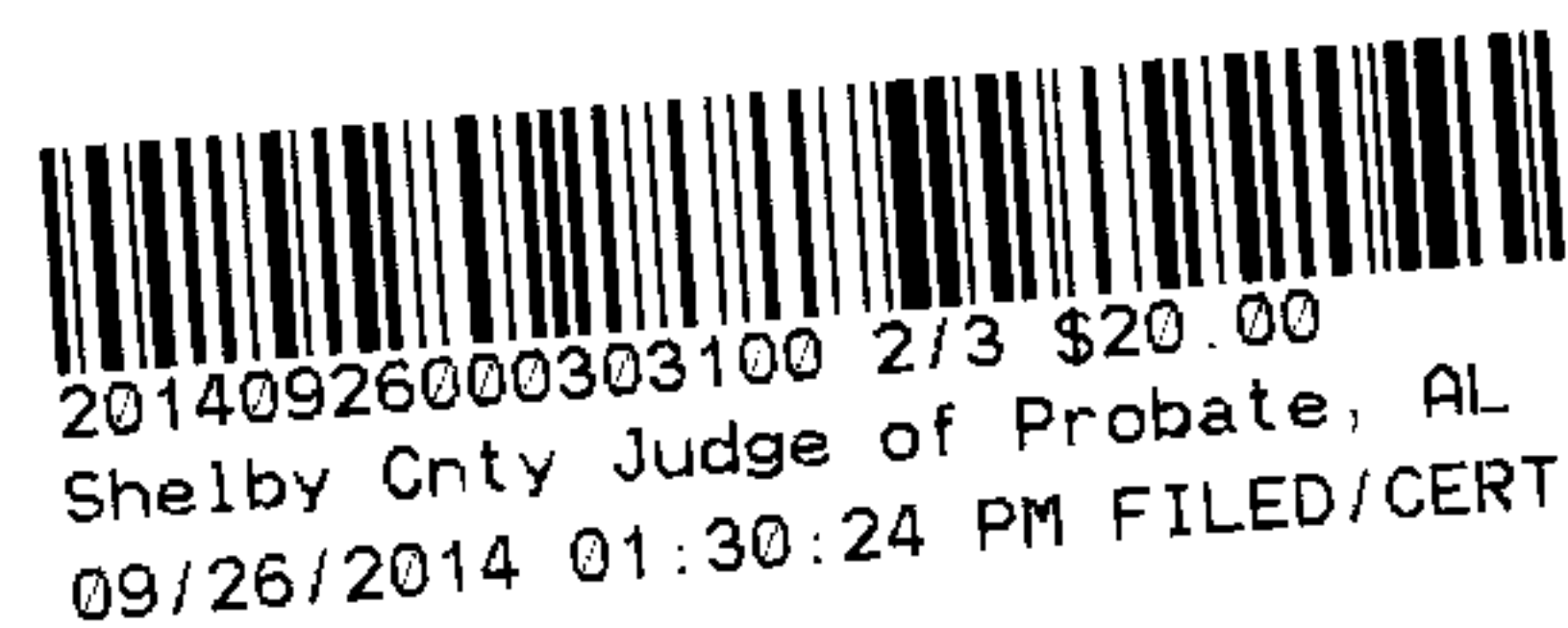
<u>COUNTY</u>	<u>VALUE</u>	<u>PERCENTAGE</u>
Baldwin	\$ 1,797,089.83	68.877%
Mobile	\$ 614,520.16	23.553%
Shelby	\$ 140,000.00	5.366%
Limestone	\$ 30,000.00	1.150%
Madison	<u>\$ 27,500.00</u>	<u>1.054%</u>
TOTALS	\$ 2,609,109.99	100.00%

8. That the amount of recording tax to be paid at the rate of \$.15 for each \$100.00 of indebtedness or fraction thereof, which is attributable to the property located within the State of Alabama is Thirteen Thousand, Four Hundred Thirty Two and 50/100 (**\$13,431.75**) Dollars.

9. That, under a prior Mortgage Privilege Tax Order dated August 23, 2013; Petitioner paid Mortgage Privilege Tax in the amount of \$ 5,010.00. Under a second prior Mortgage Privilege Tax Order dated August 15, 2014, Petitioner paid Mortgage Privilege Tax in the amount of \$8,049.00. The Petitioner is therefore entitled to a credit in the amount of Thirteen Thousand, Fifty Nine and No/100 (**\$13,059.00**) Dollars. After applying said credit, recording tax is due in the amount of Three Hundred Seventy Three and 50/100 (**\$372.75**) Dollars.

10. That the mortgage secures future advances. Because mortgage recording tax will be paid upon the maximum principal indebtedness in accordance with *Alabama Code* §40-22-2 (1) (b), no bond or reporting shall be required pursuant to *Alabama Code* §40-22-2(2).

IT IS ORDERED, THEREFORE, that the Probate Judge for Madison County, Alabama wherein said mortgage will be first recorded shall collect recording tax in the amount of (**\$372.75**) for the recordation of the mortgage and pursuant to *Alabama Code* §40-22-2(7)



after deducting the 5% commission due to the Probate Court, shall make distribution of such tax to the State of Alabama and to the counties named herein, in the percentages as set out in Paragraph 7 above.. Upon payment of the recording tax and upon filing of the said mortgage in Madison County, Alabama, duplicate mortgages, if required, shall be acceptable for recordation in the other counties, pursuant to *Alabama Code* §40-22-2(2)(a), without the payment of any further recording tax. The Probate Judges of the other counties are, however, entitled to collect applicable recording fees pursuant to *Alabama Code* §40-22-2(5).

Petitioner is **ORDERED** to abide by the reporting and paying provisions of *Alabama Code* (1975) §40-22-2 (2) (b), as to any indebtedness which may be incurred or advanced in the future, relating to the Mortgage.

DONE this 15th day of September, 2014.

ALABAMA DEPARTMENT OF REVENUE

By: Michael E. Mason
Assistant Commissioner of Revenue

ATTEST:

Michael D. Bell
As Secretary

By: K. Elizabeth Jehle
K. Elizabeth Jehle, Legal Division

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Shelby Cnty Judge of Probate, AL
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