

IN THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE

IN RE: )

SENTINEL TRUST COMPANY )

FILED

AT 2:55 O'CLOCK P.M.

NO. 4781

MAR 27 2006

JANET WILLIAMS, CLERK & MASTER

BY Selena Wix

THE COMMISSIONER-IN-POSSESSION'S AND SENTINEL TRUST RECEIVER'S  
MOTION FOR APPROVAL OF SALE OF SENTINEL TRUST HOHENWALD,  
TENNESSEE PROPERTY AND TO CERTIFY ORDER APPROVING SALE AS FINAL  
PURSUANT TO RULE 54.02 TENN.R.CIV.P.

I. INTRODUCTION

The Commissioner-in-Possession and Sentinel Trust Receiver move the Court for approval of the sale of a Hohenwald, Lewis County, Tennessee office building property, located at 29 W. Main Street in Hohenwald, Tennessee, owned by Sentinel Trust Company ("Hohenwald Property"). Approval of the Court is sought pursuant to T.C.A. § 45-2-1504(a) which states that:

In liquidating a [trust company], the commissioner may exercise any power of the office of commissioner but shall not, without approval of the court in which the notice of possession has been filed:

- (1) Sell any asset of the organization having a value in excess of five hundred dollars (\$500.00).

II. PROPOSED CONTRACT FOR PURCHASE

The Commercial Purchase and Sale Agreement for the Hohenwald Property, dated March 20, 2006, is attached as **Exhibit A**. The proposed purchasers are Robert and Aiyoung Allen of Kissimmee, Florida ("the Allens"). The proposed purchase price is \$450,000. The terms and conditions of the purchase are standard. A seller's condition to close is the obtaining of a final court order approving the sale. The sale will include all of the contents of the building, unless it is proven as part of this approval process that someone, other than Sentinel Trust

EXHIBIT

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Company, owns particular items. The computer hardware is also being sold after all information concerning Sentinel Trust Company and its operations has been removed. See Exhibit A at § 8.

### III. APPRAISAL OF PROPERTY

The acting Commissioner-in-Possession and Receiver obtained an appraisal of the real estate and building from a qualified, reputable and local appraiser. That appraisal, dated December 21, 2005, sets the fair market appraised value at \$430,000. See Exhibit B for a copy of the summary of appraisal.<sup>1</sup>

### IV. FACTUAL BACKGROUND

The Hohenwald building was built in the 1999-2000 timeframe. It served as the main office for the operations of Sentinel Trust Company. The property has, since October 15, 2003, been titled in the name of Sentinel Trust Company.<sup>2</sup> See copy of Deed attached as **Exhibit C**. Following the November and December 2004 transfer of fiduciary positions to Successor Trustees, the day-to-day business operations of Sentinel Trust Company being conducted by the Receiver at the Hohenwald Property ceased. Shortly thereafter, all documents and Sentinel Trust records were moved from that location, and it is currently unoccupied. The expenses of upkeep and other monthly charges are ongoing expenses to the Sentinel Trust Receivership. Those expenses would cease upon the sale of the Hohenwald Property.

On October 14, 2004, the Sentinel Trust Receiver signed a listing agreement with Shirley Zeitlin & Company Realtors to market the Hohenwald Property; Affiliate Broker, Arthur D. Victorine, has been the listing agent on the Hohenwald Property. Affidavit of Arthur D. Victorine at ¶¶ 3-4 (“Victorine Aff.”) attached as **Exhibit D**. The initial list price for the

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<sup>1</sup> Counsel for the Receiver will have available, at the April 12, 2006 hearing on this Motion, the complete Appraisal Report which is 62 pages in length.

<sup>2</sup> Prior to that time, the Hohenwald Property was titled in the name of Sentinel Services Corporation, Inc., a company wholly owned by Danny N. Bates.

