IN THE CHANCERY COURT OF JACKSON COUNTY, MISSISSIPPI

FILED

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MB 2012 P. 63595

TERRY MILLER, CLERK

By Linda White

IN THE MATTER OF THE ESTATE OF
JOHN J. WHITEHEAD, JR., DECEASED

BY:

LARRY JOHN WHITEHEAD and
MICHAEL EDWARD WHITEHEAD

CAUSE NO. 2010-0093-JB

PETITIONERS

ORDER GRANTING PERMISSION TO SELL REAL PROPERTY AND OTHER RELIEF

THIS CAUSE came on this day to be heard on the Amended Petition of Larry John Whitehead and Michael Edward Whitehead, Co-Administrators C.T.A. of the Estate of John J. Whitehead, Jr., Deceased, to Sell Real Property and for Other Relief (the "Petition"), and the Court having heard and considered said Petition and being fully advised in the premises finds the following :

1. That Petitioners are the duly appointed, qualified and acting Co-Administrators C.T.A. of the Estate of John J. Whitehead, Jr., Deceased (the "Estate"). On March 23, 2012, Petitioners filed a Petition for Permission to Sell Real Property and For Other Relief. That Petition sought permission, *inter alia*, to sell a parcel of property to the City of Gautier, Mississippi and to donate a parcel of property to the City of Gautier, Mississippi. It has been reported that since the filing of that Petition, the City of Gautier, Mississippi contacted your Petitioners and dictated that it desires to purchase and be donated different parcels than contemplated by the previous Petition. These circumstances required the filing of the Amended Petition for Permission to Sell Real Property and for Other Relief, which document, along with its attachments, should be deemed to amend the Petition for Permission to Sell Real Property and for Other Relief filed on March 23, 2012.

2. That at the time of his death, John J. Whitehead, Jr. was the owner of a one-twelfth (1/12) interest in and to real property located in Jackson County, Mississippi, which property is more particularly described in the Summary Appraisal Report attached to the Petition as Exhibit "A". Said property will hereinafter be referred to as Parcel 1. As evidenced by the correspondence attached to the Petition as Exhibit "B", Williams Gas Pipeline-Transco has offered to purchase an easement over Parcel 1 from the Estate for $15,000.00. Though $15,000.00 has been offered, the subject easement will only diminish the value of Parcel

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JAYE A. BRADLEY
CHANCERY COURT JUDGE

1 by $3,000.00. The Petitioners believe it is in the best interest of the Estate to sell an easement over Parcel 1 to Williams Gas Pipeline-Transco.

3. That at the time of his death, John J. Whitehead, Jr. maintained a 100% ownership interest in Misty Meadow Farms, Inc. ("Misty Meadow"). Misty Meadow owns two tracts of land located in Jackson County, Mississippi which are more particularly described as follows:

TRACT 1

A parcel of land situated in the Southwest Quarter of the Southwest Quarter and the Southeast Quarter of the Southwest Quarter of section 26 and Government Lots 2 and 3 of Section 35, Township 7 South, Range 7 West, Jackson County, Mississippi, being more particularly described as:

> Commencing at ½" iron rod at the Northwest Corner of Section 35; thence run S89°24'04"E 2106.41 feet along the Northern line of Section 35 to the Eastern existing Mississippi Power Company Right of Way and the Point of Beginning; thence run N34°02'10"W 124.79 feet to a found iron pin; thence run North 381.56 feet to a set iron pin; thence run N89°26'55"E 926.00 feet to a found iron pin; thence run S50°32'59"E 126.46 feet; thence run S36°37'30"E 237.41 feet to a set iron pin; thence run S17°19'30"E 30.96 feet to a set iron pin; thence run S07°47'02"W 48.56 feet to a set iron pin; thence run S15°58'50"E 29.65 feet to a found 6" post; thence run S00°20'34"E 128.40 feet to a found 1" pipe at the Southeast Corner of the West Half of the Southwest Quarter of the Southeast Quarter of Section 26; thence run S32°14'30"E 147.16 feet to a set iron pin; thence run S19°50'53"W 376.80 feet to a set iron pin; thence run N80°02'43"W 433.81 feet to a set iron pin; thence run North 232.70 feet to a set iron pin; thence run N89°24'04"W 510.45 feet to a set iron pin; thence run N34°02'10"W 214.11 feet back to

the Point of Beginning. Containing 871,256 square feet of 20.00 acres, more or less.

Said property will hereinafter be referred to as Parcel 2.

TRACT 2:

A parcel of land situated in Government Lots 2 and 3 of Section 35, Township 7 South, Range 7 West, Jackson County, Mississippi, being more particularly described as:

Commencing at ½" iron rod at the Northwest Corner of said Section 35; thence run S89°24'04"E 2106.41 feet along the Northern line of Section 35 to the Eastern Existing Mississippi Power Company Right-of-Way; thence run S34°02'10:E 214.11 feet along said Right-of-Way to the Point of Beginning; thence run S89°24'04E 510.45 feet to a set iron pin; thence run South 232.70 feet to a set iron pin; thence run S80°02'43"E 433.81 feet to a set iron pin; thence run S19°50'53"W 122.34 feet to a set iron pin; thence run S10°03'06"W 254.37 feet to a set iron pin on the Northern Right-of-Way of Dolphin Drive; thence run N80°04'22"W 100.00 feet along said Northern Right-of-Way to a set pin thence run N10°03'06"E 254.77 feet to a found iron pin; thence run N79°50'48"W 204.90 feet to a found iron pin; thence run N79°45'10"W 205.07 feet to a found iron pin; thence run N79°45'10"W 135.25 feet to a set iron pin; thence run S46°48'12"W 241.37 feet to a set iron pin; thence run S72°27'38"W 258.93 feet to a set iron pin; thence run S16°32'04"W 181.68 feet to a set iron pin on the Northern Right-of-Way of Dolphin Drive; thence run S72°27'38"W 206.71 feet along said Northern Right-of-Way; thence run N36°30'00"W 227.05 feet to a set iron pin; thence run N30°31'36"W 46.98 feet to a set iron pin; thence run N36°52'37"W

162.17 feet to a set iron pin; thence run N55°53'05"E 624.9 feet to a set iron pin; thence run S34°02'10"E 100.43 feet to a found iron pin; thence run N55°56'59"E 174.78 feet to a found iron pin; thence run N34°02'10"W 91.62 feet back to the Point of Beginning.

Less and Except Parcel #1 found in the Warranty Deed to Gautier Utility District of Jackson County, Mississippi, Deed Book 896, Page 87.

Containing 522,666 Square Feet of 12.00 Acres, more or less (with Parcel One of Deed Book 896, Page 87 removed).

Said property will hereinafter be referred to as Parcel 3.

4. As evidenced by the Contract for Sale and Purchase for Real Estate attached to the Petition as Exhibit "C", the City of Gautier, Mississippi, has offered to purchase Parcel 2 for $1,000,000.00. Though no appraisal has been performed specifically for Parcel 2 by the Estate, multiple appraisals have been performed for Misty Meadow. Those appraisals are attached to the Petition as Exhibits "D", "E", "F" and "G" and, taken together, include assessment and valuation of Parcel 2.

Given the review of the appraisals attached to the Petition as Exhibits "D", "E", "F" and "G" and their understanding of the market for large tracts of real property located in Jackson County, Mississippi, the Petitioners believe that Parcel 2 may be sold for above fair market value and that Misty Meadow should be permitted to consummate the sale of Parcel 2 to the City of Gautier, Mississippi for the sum of $1,000,000.00 and donate parcel 3 to the City of Gautier. Petitioners believe that if Parcel 2 is not sold at this juncture, the City of Gautier, Mississippi may be unable to purchase the property in the future. The sale of Parcel 2 is contingent upon both the approval of this Court and Misty Meadow's donation of parcel 3 to the City of Gautier, Mississippi. The donation of Parcel 3 will provide a tax benefit to Misty Meadow, and is necessary to consummate the sale of Parcel 2 for $1,000,000.00. Following the sale of Parcel 2 and the donation of Parcel 3, Petitioners aver that it is in the best interest of Misty Meadow to attempt to perform a 1031 exchange by

purchasing another property(ies) with the proceeds of the sale of Parcel 2. Such an action will allow Misty Meadow to defer paying capital gains taxes on the net proceeds of the sale. The Petitioners desire to perform such a 1031 exchange. Schwartz, Orgler & Jordan, PLLC, will serve as qualified intermediary for the 1031 exchange and the proceeds of the sale of Parcel 2 should be transferred to the specially created account of that office with such deposit being placed in an interest bearing account with Hancock Bank.

5. The time in which all claims against the Estate must be registered, probated and allowed has expired, and all heirs at law have joined in the Petition and waived service of process.

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED that the Co-Administrators are authorized, and allowed, acting independently or together, and as President and Vice-President of Misty Meadow to execute all documents necessary for the Estate to offer for sale and sell an easement over Parcel 1 and to offer for sale and sell Parcel 2 on the terms herein described.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Co-Administrators are authorized and allowed to donate Parcel 3 to the City of Gautier, Mississippi and engage in a 1031 exchange utilizing the proceeds of the City of Gautier, Mississippi's purchase of Parcel 2 to purchase a new property. All proceeds of the sale of Parcel 2 shall be transferred to a qualified intermediary account of Schwartz, Orgler & Jordan, PLLC, to be utilized in engaging in a 1031 exchange.

IT IS ALSO FURTHER ORDERED, ADJUDGED AND DECREED that the Co-Administrators are authorized and allowed to execute each and every document needed to properly consummate the sales, transfers, purchases, encumbrances, donations and/or exchanges contemplated herein on behalf of the Estate and/or Misty Meadow.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that bond is waived.

SO ORDERED this 5th day of September, 2012.

Jane A. Bradley
CHANCELLOR

See p. 7 for attorney signature

Prepared By:

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