

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

In re:

Stewart Ray Dudley

Debtor.

) Case No. 16-01842-TOM  
)  
) Chapter 11  
)

**ORDER GRANTING EMERGENCY MOTION TO APPROVE  
SALE OF CONDOMINIUM UNIT**

This matter came to be heard on the EMERGENCY MOTION TO APPROVE SALE OF CONDOMINIUM UNIT filed by creditor Magnify Industries, LLC (“Magnify”), seeking approval of a sale under the terms of the contract attached thereto on **Condo Unit 632** of Emerald Beach Resort (the “Condo Unit”). The Court finds the proposed sale to be reasonable and in the best interest of the estate.

Based on the foregoing, it is therefore **ORDERED, ADJUDGED AND DECREED** as follows:

1. Magnify is authorized to accept the sale contract for the Condo Unit.
2. Magnify is authorized to proceed to the closing of the sale of the Condo Unit so long as the total settlement charges set forth on line 1400 of the Settlement Statement (HUD-1) for such closing (the “Settlement Charges”) do not exceed one hundred and five percent (105%) of the estimated total settlement charges set forth on Exhibit “A”, exclusive of outstanding 2015 and 2016 property taxes on the Condo Unit which are not included in Exhibit A. The total of such property taxes shall not exceed 5.00% of the contract sales price.
3. Should the Settlement Charges or taxes on the HUD-1 for the closing exceed the above limits, Magnify shall provide email notice to Trustee and Trustee’s counsel along with a

copy of the HUD-1. The Trustee shall have two (2) business days from the delivery of such notice to respond with either his approval or rejection of the Settlement Charges. If the Trustee approves the Settlement Charges, Magnify is authorized to proceed with closing. If the Trustee rejects the Settlement Charges or fails to respond within the time allotted, Magnify shall file an emergency motion with this Court seeking approval of the Settlement Charges and obtain an order authorizing closing.

4. The net sales proceeds, after payment of the above referenced settlement charges, shall be placed in the escrow account of Engel, Hairston & Johanson P.C., to be held pursuant to the provisions of the ORDER GRANTING THE TRUSTEE'S EMERGENCY MOTION AND MEMORANDUM OF LAW FOR TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION entered in Adversary Proceeding No. 17-00052-TOM associated with this matter.

Dated this 26th day of May, 2017.

/s/ Tamara O. Mitchell  
United States Bankruptcy Judge



**A. Settlement Statement (HUD-1)**

**B. Type of Loan**

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input type="checkbox"/> Conv. Unins.	6. File Number: TEST FILE	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.	<input type="checkbox"/> Other			

**C. Note:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

**D. Name & Address of Borrower:** Buyer, Santa Rosa Beach, FL 32459

**E. Name & Address of Seller:** Seller, Santa Rosa Beach, FL 32459

**F. Name & Address of Lender:** TBD

**G. Property Location:** Panama City Beach, Florida 32413

**H. Settlement Agent:** National Title And Appraisal, Inc., 1263 Center Point Pkwy., Suite E, Birmingham, AL 35215, (205) 856-9100  
**Place of Settlement:** 1263 Center Point Pkwy., Suite E, Birmingham, AL 35215

**I. Settlement Date:** 6/21/2017      **Proration Date:** 6/21/2017      **Disbursement Date:** 6/21/2017

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
<b>100. Gross Amount Due from Borrower</b>		<b>400. Gross Amount Due to Seller</b>	
101. Contract sales price	\$168,000.00	401. Contract sales price	\$168,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	\$934.40	403.	
104.		404.	
105.		405.	
<b>Adjustments for items paid by seller in advance</b>		<b>Adjustments for items paid by seller in advance</b>	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
<b>120. Gross Amount Due from Borrower</b>	<b>\$168,934.40</b>	<b>420. Gross Amount Due to Seller</b>	<b>\$168,000.00</b>
<b>200. Amounts Paid by or in Behalf of Borrower</b>		<b>500. Reductions in Amount Due to Seller</b>	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	\$134,400.00	502. Settlement charges to seller (line 1400)	\$12,823.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
<b>Adjustments for items unpaid by seller</b>		<b>Adjustments for items unpaid by seller</b>	
210. City/town taxes		510. City/town taxes	
211. County taxes		511. County taxes	
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. Total Paid by/for Borrower</b>	<b>\$134,400.00</b>	<b>520. Total Reduction Amount Due Seller</b>	<b>\$12,823.00</b>
<b>300. Cash at Settlement from/to Borrower</b>		<b>600. Cash at Settlement to/from Seller</b>	
301. Gross amount due from borrower (line 120)	\$168,934.40	601. Gross amount due to seller (line 420)	\$168,000.00
302. Less amounts paid by/for borrower (line 220)	(\$134,400.00)	602. Less reductions in amount due seller (line 520)	(\$12,823.00)
<b>303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower</b>	<b>\$34,534.40</b>	<b>603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller</b>	<b>\$155,177.00</b>

**SUBSTITUTE FORM 1099 SELLER STATEMENT** - The information contained in Blocks E, G, H and I and on line 401 (or, if line 401 is asterisked, lines 403 and 404), 406, 407 and 408-412 (applicable part of buyer's real estate tax reportable to the IRS) is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

**SELLER INSTRUCTION** - If this real estate was your principal residence, file form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of form 4797, Form 6252 and/or Schedule D (Form 1040).

You are required to provide the Settlement Agent with your correct taxpayer identification number. If you do not provide the Settlement Agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties.

Seller \_\_\_\_\_

<b>L. Settlement Charges</b>			
700. Total Real Estate Broker Fees based on price \$168,000.00 @ 6.000000% = \$10,080.00		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of commission (line 700) as follows:			
701. \$5,040.00 to Listing Agent			
702. \$5,040.00 to Selling Agent			
703. Commission paid at settlement \$10,080.00			\$10,080.00
704. Other			
<b>800. Items Payable in Connection with Loan</b>			
801. Our origination charge (from GFE #1)			
802. Your credit or charge (points) for the specific interest rate chosen (from GFE #2)			
803. Your adjusted origination charges (from GFE A)			
804. Appraisal fee (from GFE #3)			
805. Credit report (from GFE #3)			
806. Tax service (from GFE #3)			
807. Flood certification (from GFE #3)			
808.			
<b>900. Items Required by Lender to Be Paid in Advance</b>			
901. Daily interest charges from (from GFE #10)			
902. Mortgage insurance premium for (from GFE #3)			
903. Homeowner's insurance for (from GFE #11)			
904.			
905.			
<b>1000. Reserves Deposited with Lender</b>			
1001. Initial deposit for your escrow account (from GFE #9)			
1002. Homeowner's insurance			
1003. Mortgage insurance			
1004. City property taxes			
1005. County property taxes			
1006.			
1007.			
1008.			
1009. Aggregate Adjustment			
<b>1100. Title Charges</b>			
1101. Title services and lender's title insurance (from GFE #4)		\$250.00	
1102. Settlement or closing fee to National Title and Appraisal			\$450.00
1103. Owner's title insurance to National Title and Appraisal (from GFE #5)			\$915.00
1104. Lender's title insurance to National Title and Appraisal \$250.00			
1105. Lender's title policy limit \$134,400.00			
1106. Owner's title policy limit \$168,000.00			
1107. Agent's portion of the total title insurance premium to National Title and Appraisal \$815.50			
1108. Underwriter's portion of the total title insurance premium to Stewart Title Guaranty Company \$349.50			
1109. Title Exam to National Title and Appraisal			\$175.00
1110. Deed Preparation			
1111. CPL Fee			
1112.			
1113.			
1114.			
1115.			
<b>1200. Government Recording and Transfer Charges</b>			
1201. Government recording charges (from GFE #7)			
1202. Deed \$27.00 Mortgage \$214.00 Releases		\$214.00	\$27.00
1203. Transfer taxes (from GFE #8)			
1204. City/County tax/stamps			
1205. State tax/stamps Deed \$1,176.00 Mortgage \$470.40		\$470.40	\$1,176.00
1206.			
<b>1300. Additional Settlement Charges</b>			
1301. Required services that you can shop for (from GFE #6)			
1302.			
1303.			
1304.			
1305.			
<b>1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)</b>		<b>\$934.40</b>	<b>\$12,823.00</b>

Items marked "POC" were paid outside the closing by: Borrower (POCB), Lender (POCL), Mortgage Broker (POCM), Other (POCO), Real Estate Agent (POCR), or Seller (POCS).

**CERTIFICATION:**

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of HUD-1 Settlement Statement. The Settlement Agent does not warrant or represent the accuracy of information provided by any party, including information concerning POC items and information supplied by the lender in this transaction appearing on this HUD-1 Settlement Statement pertaining to "Comparison of Good Faith Estimate (GFE) and HUD-1 Charges" and "Loan Terms", and the parties hold harmless the Settlement Agent as to any inaccuracies in such matters.

Buyer

Seller

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

Chuck Tucker

Date

**WARNING:** It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18: U.S. Code Section 1001 and Section 1010.

# Notice Recipients

District/Off: 1126-2  
Case: 16-01842-TOM11

User: Itumlin  
Form ID: pdf000

Date Created: 5/26/2017  
Total: 38

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TOTAL: 18

## Recipients submitted to the BNC (Bankruptcy Noticing Center):

db	Stewart Ray Dudley	2201 Cahaba Valley Road	Indian Springs, AL 35124
ba	J. Thomas Corbett	Bankruptcy Administrator	1800 5th Avenue North Birmingham, AL 35203
cr	Christian & Small LLP	505 North 20th Street	Suite 1800 Birmingham, AL 35203
cr	James C Lee, III	c/o Lightfoot Franklin & White LLC	The Clark Building 400 20th Street North Birmingham, AL 35203
cr	Buffalo Rock Company	c/o Burr & Forman LLP	420 North 20th Street, Ste 3400 Birmingham, AL 35203
cr	Gordon, Dana & Gilmore, LLC	Attn. Lindan J. Hill	600 University Park Place Suite 100 Birmingham AL, 35209 UNITED STATES
cr	Cadence Bank	c/o Jeremy Retherford	Balch & Bingham LLP Post Office Box 306 Birmingham, AL 35201
cr	Cadence Bank	Balch & Bingham LLP	c/o Jonathan Grayson PO Box 306 Birmingham, AL 35201
cr	Blackberry Properties, LLC	c/o Stephen B. Porterfield	Sirate & Permutt, P.C. 2311 Highland Avenue S. Birmingham, AL 35205
cr	Ahrian T Dudley	c/o Stephen B. Porterfield	Sirate & Permutt, P.C. 2311 Highland Avenue S. Birmingham, AL 35205
cr	C. Ray Dudley	c/o Stephen B. Porterfield	Sirate & Permutt, P.C. 2311 Highland Avenue S. Birmingham, AL 35205
intp	Emerald Beach Resorts, LLC	c/o Lee R. Benton	Benton & Centeno, LLP 2019 3rd Avenue North Birmingham, AL 35203
cr	Magnify Industries, LLC	c/o Andre' M. Toffel, PC	450A Century Park South, Ste. 206A Birmingham, AL 35226
intp	J Douglas McElvy	2740 Zelda Road	Fourth Floor Montgomery, AL 36104
cr	Torch Holdings, LLC	Engel, Hairston & Johanson, P.C.	Attn: Jonathan E. Raulston P.O. Box 11405 Birmingham, AL 35202
ba	Jon A Dudeck	1800 5th Avenue North	Birmingham, AL 35203
tr	Jeffrey J. Hartley	Helmsing, Leach, Herlong, Newman & Rouse	150 Government St Ste 2000 Mobile, AL 36602
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TOTAL: 20