2/9/56

ASEMENT URU LILLIANS

4-1-52

This deed of conveyance by and between Aham Euster, a single person, and Evelyn S. Reams and her husband, W. Hobart Reams, all of Middlesboro, Bell County, Kentucky, hereinafter called first parties, and Kentucky Utilities Company, a Kentucky corporation having its principal office at Lexington, Fayette County, Kentucky, hereinafter called second party,

Witnesseth: For and in consideration of thirty-two thousand dollars (\$32,000.00) in hand paid by second party, receipt of which is hereby acknowledged by first parties, the first parties do hereby grant, sell, alien and convey unto the second party a parcel of real property situated in Middlesboro, Bell County, Kentucky, and more particularly described as follows, to-wit:

Lots numbered fifteen (15) and sixteen (16) in Block numbered eight (8), in the Southeast Section of the City of Middlesboro, Kentucky, each said lot fronting on Cumberland Avenue a distance of twenty-five (25) feet and extending back therefrom a distance of two hundred and forty (240) feet to an alley, said lots being located on the Southwest corner of Cumberland Avenue and Twenty-second Street, as shown by plat of said city on file in the office of the Clerk of the County Court of Bell County, Kentucky.

The first party, Aham Euster, acquired an undivided one-half interest in the two above lots by deed from Wallace A. Gastineau and wife, Lillian M. Gastineau, dated June 26, 1953, and of record in said Clerk's office in Deed Book No. 156, page 491; and first party, Evelyn S. Reams, acquired the other undivided one-half interest in said property by deed from her husband, W. Hobart Reams, dated March 30, 1954, and of record in said











Clerk's office in Deed Book No. 158, page 377.

It is agreed that second party shall pay ______ twelfths of the State, county and city advalorem taxes assessed against the property herein conveyed for the year 1955, and first parties shall pay the balance of such 1955 taxes.

To have and to hold the above-described real property, together with improvements thereon and appurtenances thereunto belonging, unto the said second party, its successors and assigns forever, with covenant of seisin and general warranty of title.

In testimony whereof, witness the hands of first parties, this 3/ day of _______, 1955.



Evelyn S. Reams

First Parties

STATE OF KENTUCKY)
COUNTY OF BELL)

I, FF-Love/Ace , a notary public in and for the State and county aforesaid, certify that the foregoing deed from Aham Euster and others to Kentucky Utilities Company was this day produced to me in my said county, and that the same was duly acknowledged before me by Aham Euster, Evelyn S. Reams, and W. Hobart Reams, grantors therein, to be their act and deed in due form of law.

Given under my hand and official seal, this 3/ day of august, 1955.

77 Poveloca Notary Public, Bell County, Kentucky

My commission expires 9 day of 5369, 1956.

Case No. 2024-00198 **Application Exhibit 1** Page 3 of 35

STATE OF KENTUCKY, COUNTY OF BELL -85-

I, Martha L.Brock, Clerk of the State and County aforesaid, do hereby certify that the foregoing Deed of Conveyance from AHAM EUSTER, et al. to KENTUCKY UTILITIES COMPANY, was this day lodged for record; Whereupon the same, together with this and the foregoing certificate has been duly recorded in Deed Book No.162, Page 153&c., records of my said office.

GIVEN under my hand this the 7th.day of September, 1955.

MARTHA L. BROCK _ CLERK.

Fannie S. Asher, Pineville, Ky.

Deputy Clerk.

Case No. 2024-00198 Application Exhibit 1 Page 4 of 35

PATTERSON & WILSON ATTORNEYS AT LAW PINEVILLE, KY.

LOGAN E. PATTERSON JAMES S. WILSON

October 18, 1955.

Mr. H. B. Asher, Division Manger, Kentucky Utilities Company, Pineville, Kentucky.

Re: Euster - Reams property, Middlesboro acquired by Kentucky Utilities Co.

Dear Mr. Asher:

Reference is made to our letters to you dated July 14 and August 30, 1955, also to copy of our letters to Squire R. Ogden dated July 28, 1955, with reference to investigation of title to lots 15 and 16 in Block 8 of the Southeastern Section of Middlesboro, Kentucky.

Kentucky Utilities Company has now acquired said two lots, and improvements thereon from Aham Euster and Evelyn S. Reams and husband, W. Hobart Reams, by deed dated August 31, 1955, and recorded September 7, 1955, in Deed Book 162, page 153, of the Bell County Court Clerk's office. Said deed was properly executed and recorded, and the property is therein conveyed with covenant of seisin and general warranty of title.

Outstanding execution liens against the property noted in paragraph 2(b) of our letter of July 14, have been duly released of record. As concerns the mortgage lien referred to in paragraph 2(a) of our said letter, Middlesboro Federal Savings and Loan Association has duly released same by deed of release dated September 2, 1955, to Evelyn S. Reams and others, which was recorded September 7, 1955, in Mortgage Release Book 5, page 575, records of said Clerk's office.

With the exception of the defect of title (noted in paragraph 1 of our letter of July 14) as concerns an undivided 1/36th interest in the North 30 feet of the South 60 feet of said two lots, I am of the opinion that Kentucky Utilities Company has acquired good, marketable title to the said two lots and improvements thereon. The company's grantors, at the time of making their said deed, were fully aware of the possibility of the assertion of an adverse claim to said part (unimproved) of the two lots.

Case No. 2024-00198 Application Exhibit 1 Page 5 of 35

Mr. H. B. Asher, Page 2.

By their deed, however, they have warranted the title as against such potential claim and against all other adverse claims.

Yours very truly,

James S. Wilson

JSW:msp

Case No. 2024-00198 Application Exhibit 1 Page 6 of 35

PATTERSON & WILSON ATTORNEYS AT LAW PINEVILLE, KY.

LOGAN B. PATTERSON JAMES S. WILSON

July 14, 1955

Mr. H. B. Asher
District Office
Kentucky Utilities Company
Pineville, Kentucky

Re: Euster - Reams Property, Middlesboro, Kentucky.

Dear Mr. Asher:

As requested, we have investigated the record title with reference to lots 15 and 16, in block 8, southeast section of Middlesboro, Kentucky. With the exceptions hereinafter noted, we find a connected chain of record title extending back from Aham Euster and Evelyn S. Reams, the present owners, to Middlesborough Land And Improvement Company which acquired the lots from Middlesborough Town Company by two deeds executed and recorded in 1889. A copy of our title notes is enclosed for your information.

Two defects in the record chain of title, though not particularly substantial, are noted:

-1-

By deed dated July 20, 1926, the north thirty feet of the south sixty feet of the two lots was conveyed to W. C. Moomau, Dr. Glenn Moomau, Mrs. May Long, and Mrs. Carrie M. Duckwall, brothers and sisters. Mrs. Long and her two named brothers died intestate, leaving twelve heirs-at-law between them, all of whom were non-residents of Kentucky. Mrs. Duckwall filed suit in the Bell Circuit Court in 1944, naming the surviving widows, heirs and their spouses as defendants, and seeking a sale of this and other property and division of the proceeds according to the respective interests of the parties. The action proceeded to judgment and order of sale, culminating in a sale and conveyance by J. S. Helton, as commissioner of the court, conveying the property to Sybil S. Maddox by deed dated April 24, 1945.

However, we were unable to find anything in the records of that litigation to show that George B. Moomau, one of the twelve heirs and the owner of an undivided one-thirty-sixth interest in the property, had been brought before the court either by summons, warning order, appearance or pleading therein. For that reason, the commissioner's deed is not deemed a valid conveyance of the interest of George B. Moomau.

Mr. H. B. Asher - page 2

The most effective way to cure this defect of title would be to secure a quitclaim deed from Mr. Moomau. Of course, since the commissioner's deed purports to convey his interest, continuous adverse possession under the deed for fifteen years would bar his right to assert such claim.

It is likely that he has accepted from the commissioner his share of the proceeds of the sale, which only amounted to \$123.78. If so, it would be advisable for Mr. Helton to file a report in that proceeding showing that fact. Such acceptance would be indicative of a tacit consent to the sale and deed and would possibly estop him from claiming adverse to the deed at this late date. Such procedure might prove less troublesome and more advisable than attempting to obtain a quitclaim deed from him.

-2-

A less serious defect of the title consists of the failure of the above-mentioned commissioner's deed to name or expressly convey the interest of Eleanora G. Moomau (wife of one of the heirs) or that of John R. Shelton (husband of one of the heirs). The two were named as defendants and were before the court by warning order. While it would have been advisable that the order of sale expressly direct that the property be sold free of their rights (Civil Code §495), the court's direction that the property be sold at public outcry would seem to carry the connotation that the purchaser is to take the property free of all claims of the parties to the litigation. Neither of them had filed answer in the proceeding.

Having delayed for this length of time, their right to assert a claim would perhaps be denied under the doctrine of estoppel or upon the maxim "lex non curat de minimis" (Huber v. Johnson, 192 S.W. 821; Vanderpool's Heirs v. Vanderpool's Heirs, 188 S.W. 461). Rather than resort to the trouble of securing quitclaim deeds from them, it might be advisable to have the court enter an order directing its commissioner to convey their interests to the present owners by a deed at this time.

Liens

(a) The two lots are encumbered by a lien of a mortgage dated April 2, 1954, made by the present owners to Middlesboro Federal Savings And Loan Association to secure an indebtedness of \$20,000.00. Arrangements should be made to secure a release of this lien upon consummation

Mr. H. B. Asher - page 3

of the contract of sale.

- (b) Reference is made to Items 10 et seq. of part IV of our title notes concerning execution liens and state tax lien against the property while owned by Wallace A. Gastineau and wife, to-wit:
 - (1) Executions of H. M. Rogers for debts of \$51.62 and \$48.92;
 - (2) Execution of Claiborne County Bank (transferred to Matt H. Baker and Emma R. Ralston, doing business as Rennebaum Motor Company) for a reduced indebtedness of \$800.09;
 - (3) Tax lien notice of Commonwealth of Kentucky for \$1820.00, penalties and interest;
 - (4) Execution of Citizens Bank of New Tazewell for \$3,450.13;
 - (5) Execution of Pridemore etc. Heating Company for \$1250.00; and
 - (6) Execution of Mrs. Florence Green et al. for \$123.90.

It is probable that some, if not all, of the above debts have been fully paid or substantially reduced. If so, steps should be taken to have the liens released of record.

If it wishes, Kentucky Utilities Company can take the proposed general warranty deed from the present owners and rely upon their warranty to secure the company against loss by reason of any of the above-noted or other defects of title and liens.

State, city and county taxes against the property for the year 1955 are outstanding. Under the contract of sale with the present owners, the same are to be prorated between the parties as therein provided.

Yours very truly,

Patterson & Wilson

by

jsw-s Enc1 Case No. 2024-00198
Application Exhibit 1
Page 9 of 25

DEED AND MORTGAGE

10-10-55

MIDDLESHORO

H. B. ASHER - Pineville

Your letter dated October 7, with deed and mortgage release:

We should have a title opinion to file with the deed so as to avoid any delay when we include the description of the property in our next indenture.

A. A. Tuttle

AATES

MIDDLESBORD OFFICE BLOG. SITE

1170

3-8517

KENTUCKY UTILITIES COMPANY

| FOR COMPANY BUSINESS ONLY | | | | |
|---------------------------|---------------------------|-----------------|--|--|
| SUBJECT | DEED AND MORTGAGE RELEASE | OCTOBER 7, 1955 | | |
| LOCATION | MIDDLESBORO | | | |
| WD | A. A. TUTTLE | | | |

I am attaching hereto the following instruments in connection with the recent purchase of the office building at Middlesboro for your permanent records.

1. Mortgage Release from Middlesboro Federal Savings and Loan Association to Evelyn S. Reams, W. Hobart Reams, and Aham Euster.

This Mortgage Release has been properly recorded in the office of the Bell County Court Clerk in Mortgage Release Book No. 5, Page 575.

2. Deed from Aham Euster, Evelyn S. Reams, and W. Hobart Reams to Kentucky Utilities Company covering Lots Nos. 15 and 16 in Block No. 8 in the Southeast Section of Middlesboro.

This Deed has been properly recorded in the office of Bell County Court Clerk in Deed Book No. 162, Page 153.

Will appreciate you acknowledging receipt of these instruments.

1013asher

HBA/rm

encls.

K. U. 25-4 50M

KENTUCKY UTILITIES COMPANY

| FOR COMPANY BUSINESS ONLY | | | | |
|---------------------------|--------------------------------------|------------------|--|--|
| | TITLE OPINION - MIDDLESBORO PROPERTY | OCTOBER 19, 1955 | | |
| LOCATION | MIDDLESBORO | | | |
| | A. A. TUTTLE | | | |

As requested in your letter of October 10th, I am enclosing herewith for your records letters from Mr. James S. Wilson, dated July 14, 1955, and October 18, 1955, which gives us a title opinion to the property recently acquired for the new office at Middlesboro.

1d.B. ashu)

HBA/rm

encls.

THIS MORTGAGE RELEASE made and entered into this the 2nd day of September, 1955, by and between MIDDLESBORO FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation, party of the first part, and EVELYN S. REAMS and husband, W. HOBART REAMS, and AHAM EUSTER, single, parties of the second part, all of Middlesboro, Bell County, Kentucky,

<u>WITNESSETH</u>: WHEREAS, the parties of the second part executed a mortgage to the party of the first part dated April 2nd, 1954 and recorded in the Bell County Court Clerk's Office in Mortgage Book 36, at page 209, to secure a note in the original amount of \$20,000.00, said mortgage being upon Lots # 13, 14, 15 and 16, Block # 8, Section Southeast, Middlesboro, Kentucky, and

WHEREAS, said indebtedness has been fully paid,

NOW THEREFORE, in consideration of the premises, the
party of the first part hereby releases unto the parties of the
second part said mortgage lien.

IN TESTIMONY WHEREOF, witness the corporate name and seal of the party of the first part hereto affixed by C. W. Bailey, its president, pursuant to full authority vested in him so to do, the year and day first above written.

MIDDLESBORO FEDERAL SAVINGS & LOAN ASSN.

STATE OF KENTUCKY)
: SCT.

COUNTY OF BELL

and for the county and state aforesaid, certify that the foregoing mortgage release from Middlesboro Federal Savings & Loan Assn. to Evelyn S. Reams, et al., was this day produced to me in my said county by C. W. Bailey, who acknowledged same, as president, to be the corporate act and deed of said corporation.

Witness my hand and seal of office this September 21955.

My commission expires:

Oct. 15, 1957

Notary Public, Bell County, Ky.

Case No. 2024-00198 Application Exhibit 1 Page 13 of 35

STATE OF KENTUCKY, COUNTY OF BELL -ss-

I, Martha L.Brock , Clerk of the state and county aforesaid, do hereby certify that the foregoing Mortgage Release from the MBORO. FED.SAV.&.LOAN ASSN., to EVELYN S.REAMS, et al. was this day lodged for record; Whereupon the same, together with this and the foregoing certificate has been duly recorded in Mortgage Release Book No.5, Page 575, records of my said office.

GIVEN under my hand this the 7th.day of September, 1955.

MARTHA L.BROCK, CLE

Fannie S. Asher, Deputy Clerk.

KENTUCKY UTILITIES COMPANY

| FOR | COMP | ANV | BUSINESS | ONL | v |
|-------------------|------|-------|----------|-----|---|
| $\Gamma \vee \Pi$ | COMP | MIX I | DUSINESS | UNL | T |

| SUBJECT | PURCHASE OF OFFICE BLDG. | DATE | June 23, 1955 |
|----------|--------------------------|------|---------------|
| LOCATION | MIDDLESBORO | | |
| | D 37 Tramm | | |

I am attaching, hereto, sales agreement purchasing the new Middlesboro office. This agreement is self-explanatory and I am sending record of the draft for \$500.00 direct to Mr. Clark.

J. H. Woodson

Attached

C.O. Mar. Askab

Page 15 of 35

| | Binder partial payment on property as per contract new | |
|---------|---|--|
| 6-23-55 | Binder partial payment on property and Evelyn 5. | |
| | Binder partial paymond - Aham Euster and Evelyn 5. office building Middlesboro - Aham Euster and Evelyn 500.00 | |

t 69932. to First Nall BAT Go to pick up digh. KENTUCKY UTILITIES COMPANY

120 SOUTH LIMESTONE STREET LEXINGTON, KENTUCKY

NOTE--IF THIS DOES NOT AGREE WITH YOUR RECORDS. PLEASE RETURN WITH CHECK, EXPLAINING ANY DIFFERENCE

Reams

This memorandum of sale between Aham Euster, of Middlesboro, Bell County, Kentucky, individually and as agent for Evelyn S. Reams, first parties, and Kentucky Utilities Company, a Kentucky corporation having its principal office at Lexington, Fayette County, Kentucky, second party,

WITNESSETH: That for the total purchase price of thirty-two thousand dollars (\$32,000.00), second party has bought from first parties, the following real property in Middlesboro, Qell County, Kentucky, to wit:

Lots 15 and 16 in Block 8 in the Southeast section of liddlesboro, the same being two lots measuring 25 feet by 240 feet each, located on the Southwest corner of Cumberland Avenue and 22nd Street, together with all improvements thereon and appurtenances thereunto pertaining, which said improvements principally consist of a three-story brick building which, until recently, was occupied by Marsee Tife Company and other various tenants of first parties.

First parties are to convey to second party, by

fee simple deed containing covenant of Seisin and General

Warranty of title, the free, complete and unencumbered title

to said property, and as a binder for said agreement, second

party has paid to first parties the sum of five hundred

dollars (\$500.00), receipt of which is hereby acknowledged.

The balance of thirty-one thousand and five hundred dollars

(\$31,500.00) is to be paid by second party to first parties

immediately upon the execution and delivery of a deed con
veying title of the character above described, which said

deed shall be executed and delivered as soon as second party

notifies first parties that it is ready to complete the trans
action. Such notice shall not be delayed more than three

weeks from the date hereof, unless with the consent of first

parties.

Case No. 2024-00198 Application Exhibit 1 Page 17 of 35

The parties have agreed that they will pro rate between them, in proportion to the part of the year each has owned the property, all ad valorem taxes for the tax year 1955.

Witness the hands of the parties this $\underline{23}$ day of June, 1955.

First Parties

KENTECKY UTILITIES COMPANY

___District Manager 2/9/56

4-1-53

MENT CAME

This deed of conveyance by and between Aham Euster, a single person, and Evelyn S. Reams and her husband, W. Hobart Reams, all of Middlesboro, Bell County, Kentucky, hereinafter called first parties, and Kentucky Utilities Company, a Kentucky corporation having its principal office at Lexington, Fayette County, Kentucky, hereinafter called second party,

Witnesseth: For and in consideration of thirty-two thousand dollars (\$32,000.00) in hand paid by second party, receipt of which is hereby acknowledged by first parties, the first parties do hereby grant, sell, alien and convey unto the second party a parcel of real property situated in Middlesboro, Bell County, Kentucky, and more particularly described as follows, to-wit:

Lots numbered fifteen (15) and sixteen (16) in Block numbered eight (8), in the Southeast Section of the City of Middlesboro, Kentucky, each said lot fronting on Cumberland Avenue a distance of twenty-five (25) feet and extending back therefrom a distance of two hundred and forty (240) feet to an alley, said lots being located on the Southwest corner of Cumberland Avenue and Twenty-second Street, as shown by plat of said city on file in the office of the Clerk of the County Court of Bell County, Kentucky.

The first party, Aham Euster, acquired an undivided one-half interest in the two above lots by deed from Wallace A. Gastineau and wife, Lillian M. Gastineau, dated June 26, 1953, and of record in said Clerk's office in Deed Book No. 156, page 491; and first party, Evelyn S. Reams, acquired the other undivided one-half interest in said property by deed from her husband, W. Hobart Reams, dated March 30, 1954, and of record in said











Clerk's office in Deed Book No. 158, page 377.

It is agreed that second party shall pay ______ twelfths of the State, county and city advalorem taxes assessed against the property herein conveyed for the year 1955, and first parties shall pay the balance of such 1955 taxes.

To have and to hold the above-described real property, together with improvements thereon and appurtenances thereunto belonging, unto the said second party, its successors and assigns forever, with covenant of seisin and general warranty of title.

In testimony whereof, witness the hands of first parties, this 3/ day of _______, 1955.



Evelyn S. Reams?

STATE OF KENTUCKY)

COUNTY OF BELL

I, FF-Love/Ace , a notary public in and for the State and county aforesaid, certify that the foregoing deed from Aham Euster and others to Kentucky Utilities Company was this day produced to me in my said county, and that the same was duly acknowledged before me by Aham Euster, Evelyn S. Reams, and W. Hobart Reams, grantors therein, to be their act and deed in due form of law.

Given under my hand and official seal, this 3/ day of august, 1955.

77 Povelo County, Kentucky

My commission expires 9 day of 536, 1956.

Case No. 2024-00198 **Application Exhibit 1** Page 20 of 35

STATE OF KENTUCKY, COUNTY OF BELL -85-

I, Martha L.Brock, Clerk of the State and County aforesaid, do hereby certify that the foregoing Deed of Conveyance from AHAM EUSTER, et al. to KENTUCKY UTILITIES COMPANY, was this day lodged for record; Whereupon the same, together with this and the foregoing certificate has been duly recorded in Deed Book No.162, Page 153&c., records of my said office.

GIVEN under my hand this the 7th.day of September, 1955.

MARTHA L. BROCK _ CLERK.

Fannie S. Asher, Pineville, Ky.

Deputy Clerk.

Case No. 2024-00198 Application Exhibit 1 Page 21 of 35

PATTERSON & WILSON ATTORNEYS AT LAW PINEVILLE, KY,

LOGAN E. PATTERSON JAMES S. WILSON

October 18, 1955.

Mr. H. B. Asher, Division Manger, Kentucky Utilities Company, Pineville, Kentucky.

Re: Euster - Reams property, Middlesboro acquired by Kentucky Utilities Co.

Dear Mr. Asher:

Reference is made to our letters to you dated July 14 and August 30, 1955, also to copy of our letters to Squire R. Ogden dated July 28, 1955, with reference to investigation of title to lots 15 and 16 in Block 8 of the Southeastern Section of Middlesboro, Kentucky.

Kentucky Utilities Company has now acquired said two lots, and improvements thereon from Aham Euster and Evelyn S. Reams and husband, W. Hobart Reams, by deed dated August 31, 1955, and recorded September 7, 1955, in Deed Book 162, page 153, of the Bell County Court Clerk's office. Said deed was properly executed and recorded, and the property is therein conveyed with covenant of seisin and general warranty of title.

Outstanding execution liens against the property noted in paragraph 2(b) of our letter of July 14, have been duly released of record. As concerns the mortgage lien referred to in paragraph 2(a) of our said letter, Middlesboro Federal Savings and Loan Association has duly released same by deed of release dated September 2, 1955, to Evelyn S. Reams and others, which was recorded September 7, 1955, in Mortgage Release Book 5, page 575, records of said Clerk's office.

With the exception of the defect of title (noted in paragraph 1 of our letter of July 14) as concerns an undivided 1/36th interest in the North 30 feet of the South 60 feet of said two lots, I am of the opinion that Kentucky Utilities Company has acquired good, marketable title to the said two lots and improvements thereon. The company's grantors, at the time of making their said deed, were fully aware of the possibility of the assertion of an adverse claim to said part (unimproved) of the two lots.

Case No. 2024-00198 Application Exhibit 1 Page 22 of 35

Mr. H. B. Asher, Page 2.

By their deed, however, they have warranted the title as against such potential claim and against all other adverse claims.

Yours very truly,

James S. Wilson

JSW:msp

Case No. 2024-00198 Application Exhibit 1 Page 23 of 35

PATTERSON & WILSON ATTORNEYS AT LAW PINEVILLE, KY.

LOGAN B. PATTERSON JAMES S. WILSON

July 14, 1955

Mr. H. B. Asher
District Office
Kentucky Utilities Company
Pineville, Kentucky

Re: Euster - Reams Property, Middlesboro, Kentucky.

Dear Mr. Asher:

As requested, we have investigated the record title with reference to lots 15 and 16, in block 8, southeast section of Middlesboro, Kentucky. With the exceptions hereinafter noted, we find a connected chain of record title extending back from Aham Euster and Evelyn S. Reams, the present owners, to Middlesborough Land And Improvement Company which acquired the lots from Middlesborough Town Company by two deeds executed and recorded in 1889. A copy of our title notes is enclosed for your information.

Two defects in the record chain of title, though not particularly substantial, are noted:

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However, we were unable to find anything in the records of that litigation to show that George B. Moomau, one of the twelve heirs and the owner of an undivided one-thirty-sixth interest in the property, had been brought before the court either by summons, warning order, appearance or pleading therein. For that reason, the commissioner's deed is not deemed a valid conveyance of the interest of George B. Moomau.

Mr. H. B. Asher - page 2

The most effective way to cure this defect of title would be to secure a quitclaim deed from Mr. Moomau. Of course, since the commissioner's deed purports to convey his interest, continuous adverse possession under the deed for fifteen years would bar his right to assert such claim.

It is likely that he has accepted from the commissioner his share of the proceeds of the sale, which only amounted to \$123.78. If so, it would be advisable for Mr. Helton to file a report in that proceeding showing that fact. Such acceptance would be indicative of a tacit consent to the sale and deed and would possibly estop him from claiming adverse to the deed at this late date. Such procedure might prove less troublesome and more advisable than attempting to obtain a quitclaim deed from him.

-2-

A less serious defect of the title consists of the failure of the above-mentioned commissioner's deed to name or expressly convey the interest of Eleanora G. Moomau (wife of one of the heirs) or that of John R. Shelton (husband of one of the heirs). The two were named as defendants and were before the court by warning order. While it would have been advisable that the order of sale expressly direct that the property be sold free of their rights (Civil Code §495), the court's direction that the property be sold at public outcry would seem to carry the connotation that the purchaser is to take the property free of all claims of the parties to the litigation. Neither of them had filed answer in the proceeding.

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Liens

(a) The two lots are encumbered by a lien of a mortgage dated April 2, 1954, made by the present owners to Middlesboro Federal Savings And Loan Association to secure an indebtedness of \$20,000.00. Arrangements should be made to secure a release of this lien upon consummation

Mr. H. B. Asher - page 3

of the contract of sale.

- (b) Reference is made to Items 10 et seq. of part IV of our title notes concerning execution liens and state tax lien against the property while owned by Wallace A. Gastineau and wife, to-wit:
 - (1) Executions of H. M. Rogers for debts of \$51.62 and \$48.92;
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If it wishes, Kentucky Utilities Company can take the proposed general warranty deed from the present owners and rely upon their warranty to secure the company against loss by reason of any of the above-noted or other defects of title and liens.

State, city and county taxes against the property for the year 1955 are outstanding. Under the contract of sale with the present owners, the same are to be prorated between the parties as therein provided.

Yours very truly,

Patterson & Wilson

b**y**

jsw-s Enc1 Case No. 2024-00198
Application Exhibit 1
Page 26 of 85

DEED AND MORTGAGE

10-10-55

MIDDLESBORO

H. B. ASHER - Pineville

Your letter dated October 7, with deed and mortgage release:

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A. A. Tuttle

AATES

MIDDLESBORD OFFICE BLOG. SITE

1170

3-8517

KENTUCKY UTILITIES COMPANY

| FOR COMPANY BUSINESS ONLY | | | | |
|---------------------------|---------------------------|-----------------|--|--|
| BUBJECT | DEED AND MORTGAGE RELEASE | OCTOBER 7, 1955 | | |
| LOCATION | MIDDLESBORO | | | |
| WB | A. A. TUTTLE | | | |

I am attaching hereto the following instruments in connection with the recent purchase of the office building at Middlesboro for your permanent records.

1. Mortgage Release from Middlesboro Federal Savings and Loan Association to Evelyn S. Reams, W. Hobart Reams, and Aham Euster.

This Mortgage Release has been properly recorded in the office of the Bell County Court Clerk in Mortgage Release Book No. 5, Page 575.

2. Deed from Aham Euster, Evelyn S. Reams, and W. Hobart Reams to Kentucky Utilities Company covering Lots Nos. 15 and 16 in Block No. 8 in the Southeast Section of Middlesboro.

This Deed has been properly recorded in the office of Bell County Court Clerk in Deed Book No. 162, Page 153.

Will appreciate you acknowledging receipt of these instruments.

1013asher

HBA/rm

encls.

K. U. 25-4 50M

KENTUCKY UTILITIES COMPANY

| FOR COM | PANY BUSINESS ONLY | |
|----------|--------------------------------------|------------------|
| | TITLE OPINION - MIDDLESBORO PROPERTY | OCTOBER 19, 1955 |
| BUBJECT | | |
| LOCATION | MIDDLESBORO | |
| | | |
| MR | A. A. TUTTLE | |

As requested in your letter of October 10th, I am enclosing herewith for your records letters from Mr. James S. Wilson, dated July 14, 1955, and October 18, 1955, which gives us a title opinion to the property recently acquired for the new office at Middlesboro.

12. B. ashu)

HBA/rm

encls.

THIS MORTGAGE RELEASE made and entered into this the 2nd day of September, 1955, by and between MIDDLESBORO FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation, party of the first part, and EVELYN S. REAMS and husband, W. HOBART REAMS, and AHAM EUSTER, single, parties of the second part, all of Middlesboro, Bell County, Kentucky,

<u>WITNESSETH</u>: WHEREAS, the parties of the second part executed a mortgage to the party of the first part dated April 2nd, 1954 and recorded in the Bell County Court Clerk's Office in Mortgage Book 36, at page 209, to secure a note in the original amount of \$20,000.00, said mortgage being upon Lots # 13, 14, 15 and 16, Block # 8, Section Southeast, Middlesboro, Kentucky, and

WHEREAS, said indebtedness has been fully paid,

NOW THEREFORE, in consideration of the premises, the
party of the first part hereby releases unto the parties of the
second part said mortgage lien.

IN TESTIMONY WHEREOF, witness the corporate name and seal of the party of the first part hereto affixed by C. W. Bailey, its president, pursuant to full authority vested in him so to do, the year and day first above written.

MIDDLESBORO FEDERAL SAVINGS & LOAN ASSN.

STATE OF KENTUCKY)
: SCT.

COUNTY OF BELL
)

and for the county and state aforesaid, certify that the foregoing mortgage release from Middlesboro Federal Savings & Loan Assn. to Evelyn S. Reams, et al., was this day produced to me in my said county by C. W. Bailey, who acknowledged same, as president, to be the corporate act and deed of said corporation.

Witness my hand and seal of office this September 21955.

My commission expires:

Oct. 15, 1957

Notary Public, Bell County, Ky.

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STATE OF KENTUCKY, COUNTY OF BELL -ss-

I, Martha L.Brock , Clerk of the state and county aforesaid, do hereby certify that the foregoing Mortgage Release from the MBORO. FED.SAV.&.LOAN ASSN., to EVELYN S.REAMS, et al. was this day lodged for record; Whereupon the same, together with this and the foregoing certificate has been duly recorded in Mortgage Release Book No.5, Page 575, records of my said office.

GIVEN under my hand this the 7th.day of September, 1955.

MARTHA L.BROCK, CLE

Fannie S.Asher, Deputy Clerk.

KENTUCKY UTILITIES COMPANY

| FOR | COMP | ANV | BUSINESS | ONL | v |
|-------------------|------|-------|----------|-----|---|
| $\Gamma \vee \Pi$ | COMP | MIX I | DUSINESS | UNL | T |

| SUBJECT | PURCHASE OF OFFICE BLDG. | June 23, 1955 |
|----------|--------------------------|---------------|
| LOCATION | MIDDLESBORO | |
| MR | R. M. WATT | |

I am attaching, hereto, sales agreement purchasing the new Middlesboro office. This agreement is self-explanatory and I am sending record of the draft for \$500.00 direct to Mr. Clark.

J. H. Woodson

Attached

C.O. Mar. Askab

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| | Binder partial payment on property as per contract new | | - |
|---------|--|----|--------|
| 6-23-55 | Binder partial paymond - Aham Euster and Evelyn office building Middlesboro - Aham Euster and Evelyn | ₿. | |
| | office building Middlesboro | | 500.00 |

\$ 69932. to First Nall 13+ Theo to pick up drept.

Reams

NOTE--IF THIS DOES NOT AGREE WITH YOUR RECORDS. PLEASE RETURN WITH CHECK, EXPLAINING ANY DIFFERENCE

KENTUCKY UTILITIES COMPANY 120 SOUTH LIMESTONE STREET LEXINGTON, KENTUCKY

This memorandum of sale between Aham Euster, of Middlesboro, Bell County, Kentucky, individually and as agent for Evelyn S. Reams, first parties, and Kentucky Utilities Company, a Kentucky corporation having its principal office at Lexington, Fayette County, Kentucky, second party,

WITNESSETH: That for the total purchase price of thirty-two thousand dollars (\$32,000.00), second party has bought from first parties, the following real property in Middlesboro, Qell County, Kentucky, to wit:

Lots 15 and 16 in Block 8 in the Southeast section of Liddlesboro, the same being two lots measuring 25 feet by 240 feet each, located on the Southwest corner of Cumberland Avenue and 22nd Street, together with all improvements thereon and appurtenances thereunto pertaining, which said improvements principally consist of a three-story brick building which, until recently, was occupied by Marsee Tife Company and other various tenants of first parties.

First parties are to convey to second party, by

fee simple deed containing covenant of Seisin and General

Warranty of title, the free, complete and unencumbered title

to said property, and as a binder for said agreement, second

party has paid to first parties the sum of five hundred

dollars (\$500.00), receipt of which is hereby acknowledged.

The balance of thirty-one thousand and five hundred dollars

(\$31,500.00) is to be paid by second party to first parties

immediately upon the execution and delivery of a deed con
veying title of the character above described, which said

deed shall be executed and delivered as soon as second party

notifies first parties that it is ready to complete the trans
action. Such notice shall not be delayed more than three

weeks from the date hereof, unless with the consent of first

parties.

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The parties have agreed that they will pro rate between them, in proportion to the part of the year each has owned the property, all ad valorem taxes for the tax year 1955.

Witness the hands of the parties this $\underline{23}$ day of June, 1955.

First Parties

KENTECKY UTILITIES COMPANY

cond Party Manage

Case No. 2024-00198