1932-008 Chancery Causes: Federal Land Bank of Baltimore vs Thomas R. Turner &al
Isle of Wight County

Thomas R. Turner vs Federal Land Bank of Baltimore &al

Petition of F. D. Berry

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other surnames: Whitley, Hurt, [Merchants & Farmers Bank, Incorporated, Smithfield, Virginia] [Shoal Bay, Incorporated] [State Planters Bank & Trust Company] Faulkner

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore,)
a corporation,)

v) Chancery No. _____

Thomas R. Turner,)
George F. Whitley, trustee,)
Shoal Bay, Incorporated,)
Whiting C. Faulkner, and)
Joseph M. Hurt, Jr., trustees,)
The Merchants and Farmers Bank)
Incorporated, of Smithfield,)
Virginia, and State Planters Bank)
and Trust Company, trustee.)
F. D. Berry.)

The deposition of Mr. F. D. Berry, taken before A. E. S. Stephens, a Commissioner in Chancery for the Circuit Court of the County of Isle of Wight, State of Virginia, on Friday, June 6th., 1930, beginning at eleven o'clock A. M., in the offices of Johnson and Stephens, Smithfield, Virginia.

Present:

Mr. Henry C. Riely, of McGuire, Riely and Eggleson, Richmond, Virginia, representing Mr. F. D. Berry.

Mr. George F. Whitley, Smithfield, Virginia, representing Federal Land Bank of Baltimore.

Mr. James H. Corbitt, Suffolk, Virginia, representing Mr. Thomas R. Turner.

Examination by Mr. Riely.

Mr. F. D. Berry, being duly sworn, deposes and says:

Q. Please state your name, age, residence and occupation.

A. F. D. Berry, residence 47 West 74th. Street, New York, am 62 years of age, occupation, executive.

Q. Is your permanent residence in New York?

A. It is.

Q. Have you any Virginia residence, also?

A. I have a temporary residence in Virginia.

Q. Where is it?

A. Ellerslie, Petersburg, Virginia.

Q. Are you familiar with the property known as Shoal Bay, which is involved in these proceedings?

A. Yes sir.

Q. Please state briefly what your interest in and connection with that property has been and is.

A. I am President of Shoal Bay, Incorporated, a company incorporated to handle the property.

Q. That company was incorporated under the laws of Virginia, was it not?

A. Yes sir.

Q. What is your connection with and interest in that company?

A. I am president, I suppose. I was any way.

Q. What interest have you in the company?

A. Stock interest.

Q. To what extent?

A. That is questionable. The only stock I took out of the company was the amount sufficient to be given away with the bonds. The rest of it has not been issued.

Q. Then are you the only stock holder of the stock of Shoal Bay, Incorporated now outstanding?

A. No. I think Mr. Turner is a stock holder, and there was some stock issued to qualify directors. I forget who they were now.

Q. What Turner do you refer to?

A. Thomas R. Turner of Shoal Bay.

Q. Has the organization of Shoal Bay, Incorporated ever been duly completed under the laws of Virginia?

A. I think so.

Q. What property was Shoal Bay, Incorporated to acquire, or did it acquire, take possession of, manage and operate?

A. It acquired the property of Thomas R. Turner, known as Shoal Bay property.

Q. What is that property briefly speaking?

A. 748 acres, I think, located on the James River, in Isle of Wight County, just a few miles from this place.

Q. Has Shoal Bay as such, that is as a corporation, even taken charge of the Shoal Bay property incorporated and managed and run it?

A. No, sir.

MR. CORBITT: Question objected to on the ground as irrevelent and immaterial on the issue involved in these proceedings.

Q. Who has remained in possession and control of that property since the organization of Shoal Bay, Incorporated and until the present time?

A. Mr. Thomas R. Turner, as far as I know.

BY MR CORBITT: Same objection.

Q. Have you as stockholder, or as an officer of Shoal Bay, Incorporated, or personally, or in any other capacity, ever taken any control and management of the property known as Shoal Bay?

A. I never have.

BY MR. CORBITT; Same objection.

Q. Then will you state whether or not it is a fact that so far as the carrying out of the purposes for which it was created and organized is concerned, Shoal Bay, Incorporated, has remained a mere paper corporation or not.

A. Absolutely.

Q. Have you personally made any loans or advances of any nature to Shoal Bay, Incorporated, and if so for what purpose and in what amount, using merely the general figures unless you have accurate data at hand?

BY MR. CORBITT: Same objection.

A. I have no accurate date at hand but I have advanced a total of approximately $16,000.00 to Shoal Bay, Incorporated, and Thomas R. Turner.

BY MR. CORBITT: Objection further made to the answer on the ground that it is irreverent. and immaterial and that it is purely an estimate and a detailed account, if any claim is made, should be filed and not an estimate given.

Q. Mr. Berry, will you prepare, or have prepared, and fil with Commissioner Stephens to be marked as exhibit FDB#1, with your deposition a full and accurate statement, itemized, as the items are shown by your books, all documents covering all loans and advancements made by you as shown in your last proceeding answer?

A. I will.

BY MR. CORBITT: Same objection. That is it is irreverent and immaterial and without issue.

Q. I believe the record even now upon investigation of this record by the Commissioner will show that the Shoal Bay property that you have briefly described above has actually been conveyed to Shoal Bay Incorporated, isn't that a fact?

A. Yes sir.

Q. And for a purchase price, which money or monies, not being shown of record, but which purchase price I will ask you either to state in the record now, or to submit such documentary evidence in proof thereof as maybe in your possession?

BY MR. CORBITT: Objection is also made to this question on the ground that it is irreverent and immaterial.

A. I will futher supply the necessary documents to show that.

Q. What was the actual amount of the purchase price at which the property was to be conveyed and was in fact conveyed, to Shoal Bay, Incorporated?

BY MR. CORBITT: Same objection.

A. I don't recall at the moment just exactly what the price and terms were but I think I can get it exactly a little later.

Q. You do recall the fact and if you do will you so state, do you not, that the consideration was partly to be paid in cash and the residue by deferred purchase money notes secured by a deed of trust lien upon the property?

A. If I recall it correctly, there was to be certain first mortgage bonds sold and that the proceeds from the sale of those bonds was to go to the purchase price, and then there was a mortgage given by the company to cover part of the purchase price. I think the mortgage was for $55,000.00.

BY MR. CORBITT: Question and answer objected to as irreverent and immaterial on the issue involved here.

BY MR. RIELY: It is of great materiality to Mr. Berry to show in this record that he is not a volunteer with respect to the $1.000.00 note secured by deed of trust to Mr. Whitley as trustee, but that in acquiring that note he was acting to protect substantial and important pecuniary interests of his own, and counsel will state to counsel whose numerous objections have been noted that that and that only is the object of this testimony in this record.

BY MR. CORBITT: Understand that the same objections as have been heretofore made by him will be considered as made to all questions with reference to amount of money that Mr. Berry has paid into Shoal Bay, Incorporated, and what Thomas R. Turner was to be paid for the property.

Q. You have referred to the deferred purchase money notes amounting to $55,000.00, which you state were secured, as you think, by a deed of trust lien on the Shoal Bay property?

A. Right.

Q. Into whose hands did those notes pass, that is, to whom did they belong?

A. Thomas R. Turner's.

Q. As the vendor of the property?

A. Correct, sir.

Q. Mr. Berry, are you in any way a party, upon those obligations so secured by deed of trust and representing deferred purchase money notes.

A. I am a conditional endorser, endorsed on condition of preformance of Tom Turner.

BY MR. CORBITT: Question answered objected to on the ground that the written endorsement on the back of the note is the best evidence of what the endorsement contains, in the contents thereof if named.

BY MR. RIELY: Counsel for Mr. Berry calls upon counsel for Thomas R. Turner to produce the note now as it is, Desires also that Mr. Berry's guarantee or endorsement in its effective terms shall be shown of record in that proceeding.

BY MR. CORBITT: Counsel replies that he is subject to their exceptions as to the revelancy and materiality of the endorsement. he will file with the Commissioner a copy of one of the notes showing the endorsement, to be marked when filed as exhibit F.D.B.#2, with his depositions herein.

Q. It appears from the pleadings in this case and from the records also in this County that by deed dated November, 20, 1926, and of record in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, Thomas R. Turner, conveyed the Shoal Bay property, as herein above desighated and further shown of record, to George F. Whitley, trustee, to secure to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, a debt for the sum of $1,000.00, evidenced by a note for that amount bearing date even with the deed of trust, made by Thomas R. Turner, and payable ninety days after date to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia. I will ask you whether or not, it came to your attention that the trustee in that deed of trust, claiming default in the payment of the note secured thereby was proceeding to make sale under that deed of the Shoal Bay porperty for the purpose, as alleged, of obtaining payment and satisfaction of the $1,000.00 note in question?

A. Yes sir, I received such notice.

Q. Did you communicate with the Merchants and Farmers Bank of Smithfield, Virginia, personally or through your counsel, with a view to the acquisition or purchase of that note, in order to save the sale and protect your interest in the Shoal Bay property?

A. I did.

Q. With what success?

A. The bank refused to assign the note and further refused to accept payment of the note from me insisting upon a foreclosure sale of the property.

Q. Was it your purpose, and so expressed, in so communicating with the bank in question, to pay the note or to purchase it and hold it in your own interest and for your own protection?

BY MR. CORBITT: If the proposition was made to the bank by written communications, those communications are the best evidence and are called for, Objection being made to any other testimony, until they are produced.

Q. Were those negotiations with, or communications to the Smithfield bank in writing or by personal negotiations?

A. I recall it was personal negotiations, and it was explained to the bank fully just what the situation was in detail.

Q. Did you attend the sale under the deed of trust in question as advertised to be held by the trustee?

A. I did.

Q. With whom?

A. My attorney, at that time, Mr. Joseph M. Hurt, Jr.

Q. Did the sale at that time proceed?

A. It did proceed until it was stopped, finally upon payment by me of the note.

Q. Did you at that time call upon the bank or its counsel, or other representative to permit you to purchase and take an assignment of that note?

A. I did. I called upon the bank officials and also upon two attorneys.

Q. Was that call made on that day?

A. It was made on that day.

Q. Was it refused?

A. It was refused.

Q. On what ground, Mr. Berry?

A. I couldn't understand just what ground they refused it on, except that they wanted to have the property sold under foreclosure in complicity with Thomas R. Turner, who was to buy the property in and claim on the alleged guarantee of the mortgage of $55,000.00. There was no other reason for their action that I could see.

Q. When you offered and asked to be permitted to buy the note did you make plain that you were taking that action for the protection of your own private and personal interest?

A. I did make it very plain, and the only answer they gave was they couldn't be forced to sell the note.

Q. As I understand it then they positively and categorically declined to permit the purchase by you of this note?

A. They did.

Q. In the face of that situation what course then did you pursue and under what advice?

A. I paid the note and took a receipt for the payment through the attorneys of the bank, in order to stop the sale, which was then proceeding, on the advice of my attorney, Mr. Hurt.

Q. Mr. Berry, can you produce the receipt which you say was taken at the time of this purchase, or attempted purchase of the note in question, made by you.

A. My attorney Joseph M. Hurt has the receipt.

Q. I hand you, herewith, what apparently is the original $1000.00 note secured under the deed of trust of November 20th., 1926, to George F. Whitley, trustee, and ask if you can identify this note as the note which was acquired by you at the time refered to in your preceeding testimony and if so file the original with Commissioner Stephens, to be marked as exhibit F.D.B.#3, with your deposition.

A. It seems to be the original note and I herewith file it as requested.

BY MR. RIELY: At this point I request that the note, together with all writings thereon, be copied into the evidence.

The following is a copy of the note marked F.D.B. #3:

"$1000.00 Smithfield, Virginia, Nov.20th,1926
Ninety (90) days after date I promise to pay to the order of The Merchants and Farmers Bank, negotiable and payable, without offset, at THE MERCHANTS & FARMERS BANK, Inc., of Smithfield, Virginia., One thousand and no/100 dollars for value received, and in case collection is made by suit or attorney, the maker or makers, endorser or endorsers, hereby agree to pay ten per cent of the face value of this note to cover the cost incurred, and we the maker or makers, endorser or endorsers, hereby waive the benefit of the Homestead Exemption as to this debt.
Deed of Trust.
(signed) Thomas R. Turner"

NOTE: There is written across the face of the aforesaid note the following:

"Paid--4/6--1929.
The Merchants & Farmers Bank--
By: E.H. Williams,
Atty."

Q. I hand you, also, a note for $1000.00, dated February 3, 1929, made by Thomas R. Turner, and payable 30 days after date to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, across the face of which appears to be written in manuscript, a receipt signed apparently by E. H. Williams, attorney, and ask if this note represents a part of the transaction to which you have just been testifying and in which you sought to acquire the $1000.00 note secured under the Whitley deed of trust and if so will you file this note with the Commissioner to be marked as Exhibit F.D.B.#4.

A. This is the note and I hereby offer it for record.

BY MR. RIELY: At this point I request that the note, together with all writings thereon be copied into the evidence.

The following is a copy of the note marked F.D.B.#4:

"$1000.00 Smithfield, Va. Feb. 3, 1929.
Thirty (30) days after date I promise to pay to the order of the Merchants & Farmers Bank, negotiable and payable without offset at THE MERCHANTS AND FARMERS BANK, INC., of Smithfield, Virginia., One Thousand & no/100 dollars, for value received, and in case collection is made by suit or attorney, the maker or makers, endorser or endorsers, hereby agree to pay ten per cent, of the fact value of this note to cover the cost incurred; and we, the maker or makers, endorser or endorsers, hereby waive the benefit of the Homestead Exemption as to this debt.
(Signed) Thomas R. Turner"

NOTE; There is written across the face of the aforesaid note the following:

"Smithfield, Va. Mar. 5,1929,
Protested for non-payment
Jas. R. Rowell, Jr.
Notary Public
Charges $1.10
My commission expires Sept. 15, 1929.

Recd of F. D. Berry $1031.10 in full payment note, Thomas R. Turner, dated 2/3-1929, for $1000.00-- The same debt being evidenced by the original note of Thos. R. Turner, dated 11/20-1926, said note being also marked: Paid-Dated 6th. of April, 1929.
(Signed) The Merchants & Farmers Bank
By: E. H. Williams,
Atty."

Q. Mr. Corbitt, a little while ago asked for the receipt which you said was given at the time of the payment made by you and the notes in question taken up. I call your attention to the receipt mentioned in my last preceding question, written across the face of the note just introduced and ask if that is, or is not, the receipt to which you referred and for which Mr. Corbitt called.

A. That is the receipt, and it is in the following terms:

"Recd of F. D. Berry $1031.10 in full payment note
Thomas R. Turner, dated 2/3-1929, for $1000.00,
The same debt being evidenced by the original note
of Thos. R. Turner, dated 11/20-1926, said note
being also marked: Paid-Dated 6th.of April, 1929.
(Signed) The Merchants & Farmers Bank
By: E. H. Williams,
Atty."

Q. I, also, hand you, herewith, a check, dated April 4, 1929, signed by yourself, apparently, for $1020.00, payable to the Merchants and Farmers Bank, Incorporated, and drawn on the Manufacturers Trust Company of 513 Fifth Avenue and 43rd. Street, New York City, which check bears a paid endorsement and ask if this is the check given by you in the acquisition of the Whitley deed of trust note, and the other note of Turner's notedabove, as testified to by you and if so please file this check as Exhibit F.D.B.#5, with your deposition.

A. This is the check and I hereby file it.

BY MR. RIELY: At this point I request that the check, together with all writings thereon be copied into the evidence.

The following is a copy of the check marked F.D.B.#5:

"Manufacturers Trust Company,
513 Fifth Avenue Corner 43rd. Street,
Pay to the order of the Merchants &
Farmers Bank, Incorporated, $1,020.00,
One thousand twenty #- - - - dollars
No. 118 (signed) F. D. Berry
Endorsements: F. D. Berry, J. M. Hurt, Jr."

NOTE: Across the face of the above check is stamped a certification thereof by Manufacturers Trust Company, of New York City, dated April 4, 1929.

Q. The Commissioner has called attention to the fact that the receipt endorsed on the note, dated February 3, 1929, acknowleges payment of $1031.10, whereas the check just filed is for $1020.00. Are you able to explain this discrepancy?

A. The difference between the amount of the check and the amount on the receipt was paid in cash, it being a fee, as I was told for the auctioneer, who was selling the property.

Q. Who was that auctioneer if you recall and know?

A. I don't recall for a fact.

MR. WHITLEY suggests that fee was for auctioneer and cost of advertisement of the property.

Q. How did it happen that there are two notes out at that time instead of one, if you can explain that situation?

A. As I understood it the second note was given when the deed of trust note became due and wasn't paid and the first note was held as security. The note dated February 3, 1929, being the last renewal given by Mr. Turner to evidence the obligation under the deed of trust note.

Q. Mr. Berry, with reference to the receipt which is endorsed across the face of the note of February 3, 1929, I will ask you to state who formulated and wrote that receipt?

A. The attorneys for the bank. I don't recall whether Mr. Whitley or Mr. Williams wrote it. I think they jointly made up the receipt. Which one wrote it I don't recall.

Q. Were the terms of that receipt the only terms in which these gentlemen representing the bank were willing to acknowlege the payment by you, as shown by your check and the cash payment to which you yourself referred.

A. Yes sir.

Q. Was your own counsel, Mr. Hurt, present with you at that time?

A. He was.

Q. Did you attempt to secure acknowlegement of the money paid by you to the bank in taking up these notes in terms to show the actual situation as understood by you and were refused?

A. I did, and was refused.

BY MR. CORBITT: Objection is made to the question on the ground that it doesn't state what the actual situation was as understood by Mr. Berry and what he wanted done.

Q. In that connection, Mr. Berry, it is quite evident that counsel making the objection has forgotten the testimony given by you a little while ago, in which you explained your personal interest and position and that breifly was what?

A. It was for the protection of my own personal interest and the money I advanced to the property, first; second, it was to prevent very foolish, unwise, and wasteful litigation that must ensue if that foreclosure went through.

Q. Your check and the receipt on the face of the note of February 3, 1929, as these papers have already been filed before the commissioner, bearing date April 4, 1929, are you able to state whether that was the day that these transactions took place?

A. I am not able to state whether it is the exact date or not. I had the check made out for the date of the sale and it is my recollection that that was the day on which the transactions took place as stated in the date of the check.

Q. I will ask you if you desire to assert and do assert, in these proceedings, and ask Commissioner Stephens to so embrace in his report that the note secured by the deed of trust of November 20, 1926, from Thomas R. Turner to George F. Whitley, trustee, is still outstanding and held by you?

A. I do.

BY MR. CORBITT: Objection is made to the question and answer on the ground that the notes introduced in evidence show on the face of each that they have been paid, not assigned, and therefore the lien securing the said note is terminated.

CROSS-EXAMINATION

By Mr. James H. Corbitt:

Q. Mr. Berry, you stated that you are a stockholder of Shoal Bay, Incorporated, but there had been delivered to you only the stock that you had expected to deliver to purchasers of bonds of Shoal Bay, Incorporated, is that correct?

A. Correct, sir.

Q. How much additional stock are you entitled to?

A. None that I know of.

Q. You hold then all the stock which you agreed to take directly from Shoal Bay, Incorporated or from any one else who originally got it from Shoal Bay, Incorporated?

A. No sir; it is not correct.

Q. Please state what is correct, as to the amount of stock you are entitled to which you do not hold.

A. It was agreed between Mr. Thomas R. Turner and myself that he was to perform certain obligations over a period of years and in which event I was to guarantee his mortgage, and if the proposition worked out as planned and his mortgage was paid with in five years then I was to get the stock in the company. Mr. Turner absolutely defaulted on every obligation, performed no obligation whatever. He dissipated the money that came into the concern and was continually crying for more money. He never sold a bond which he agreed to sell and never took a club membership application, refusing to do either one thing or the other, seeming to rest content with the fact that he had me putting up money to carry the property and he had the obligation guarantying the mortgage which, apparently was good enough for him.

BY MR. CORBITT: I move that the answer be stricten out as not responsive to the question and being irreverent and immaterial. Mr. Berry has stated what stock he does hold and the question simply wants to know what other stock at this time he is entitled to, if any, which he does not hold.

BY MR. RIELY: Counsel for Mr. Berry resists the motion on the grounds that the witnesses answer was directly responsive to a request for information by counsel making this motion.

Q. How much stock has Mr. Thomas R. Turner in Shoal Bay, Incorporated?

A. I don't recall. Three or four shares I think; enough to qualify him as director.

Q. Did he ever have more stock in Shoal Bay, Incorporated than he has at present?

A. No sir.

Q. The three or four shares that he now has is all the stock that he has ever had in Shoal Bay, Incorporated?

A. Correct.

Q. How many shares in addition to what Mr. Turner holds are outstanding in the hands of other people than yourself?

BY MR. RIELY: Counsel for Mr. Berry objects to the foregoing question and any answer thereto, because the best evidence as to this is the stock book or other records of Shoal Bay, Incorporated, which are not in possession of Mr. Berry or under his control.

BY MR. CORBITT: Counsel replies that similiar questions were asked Mr. Berry by Mr. Riely in his examination in chief and Mr. Riely cannot now object to this line of questioning.

BY MR. RIELY: It will be noted that Mr. Corbitt himself made the same objection to my questions.

A. One ~~one~~ share each to three other people, I think, as qualifying shares to enable them to act as directors of the company.

Q. Who are the officers of record of Shoal Bay, Incorporated?

A. F. D. Berry, President; Thomas R. Turner, Vice-President and Secretary. I don't recall who the treasurer was.

Q. Who were the directors?

A. F. D. Berry, Thomas R. Turner, H. M. Smith, and R. C. Forbes.

Q. Who was Mr. R. C. Forbes?

A. He was the real estate man in Richmond.

Q. Who is Mr. H. M. Smith?

A. He was a real estate man in Richmond.

Q. How much stock in Shoal Bay, Incorporated, have you?

A. I don't recall. Only enough to be given away with the bonds when they are sold.

Q. I know you stated that but what I want to know is how much stock in Shoal Bay, Incorporated to you hold?

A. I don't remember just what the amount was. I think it was five hundred shares. We were going to sell $100,000.00 worth of bonds and give away a share of stock with each $200.00 bond. I think that is correct.

Q. The stock that you do hold was issued to F. D. Berry?

A. Yes sir. For the purpose mentioned and only for that purpose.

Q. Do your minutes of Shoal Bay, Incorporated show the purpose for which it was issued to you?

A. I think so.

BY MR. CORBITT: Counsel asks that the witness produce the minutes.

BY MR. RIELY: Counsel for Mr. Berry states that if the minute book is available to you we shall very gladly present it to Commissioner Stephens.

Q. Mr. Berry, Thomas R. Turner and his mother, Mrs. Sallie A. Turner conveyed the property known as Shoal Bay to Shoal Bay, Incorporated, by deed dated June 15, 1927, recorded in the Clerk's Office of Isle of Wight County, Virginia, June 28, 1927, in Deed Book 99, page 186, is it not?

A. I don't know what the record shows. I don't recall the dates at all.

Q. You do know that Thomas R. Turner and his mother Mrs. Sallie A. Turner, conveyed the property known as Shoal Bay to Shoal Bay, Incorporated, did they not?

A. I believe they did but from my personal knowlege I cannot state.

Q. You mean to say that although you are president of Shoal Bay, Incorporated, you don't know personally that a deed was ever made to Shoal Bay, Incorporated, by Thomas R. Turner and his mother, Mrs. Sallie A. Turner, conveying the property known as Shoal Bay?

A. I absolutely state that as a fact. I accepted the word of the attorney that it was done. I have not seen the record.

Q. Have you even seen any such deed?

A. I never have.

Q. Is it true, or not, that by deed dated June 18, 1927, Shoal Bay, Incorporated, conveyed the property known as Shoal Bay to The Planters Bank and Trust Company, trustee, in trust to secure certain bonds in the aggregate sum of $150,000.00?

A. I was so informed that that had been done by my attorney, Mr. Joseph M. Hurt, Jr. I have no other personal knowlege of the transaction.

Q. Is it true, or not, that by deed dated June 18, 1927, Shoal Bay, Incorporated, also conveyed the property known as Shoal Bay to Whiting C. Faulkner and Joseph M. Hurt, Jr., trustees, in trust to secure Thomas R. Turner the payment of debt therein set out?

A. I presume that is correct. I have no personal knowlege of it other than from the advices of my attorney.

Q. You never, yourself, saw the deeds of trust just mentioned?

A. I never did.

Q. It is true, is it not, Mr. Berry, that Shoal Bay,Incorporated, employed Mr. Thomas R. Turner at a monthly salary to manage for the corporation the property known as Shoal Bay?

A. Under certain conditions, yes.

Q. What was the monthly salary that Shoal Bay, Incorporated, paid Mr. Thomas R. Turner to manage for it the property known as Shoal Bay?

A. Nothing for the first three months, in order to give the property a chance to get started and to give Mr. Turner an opportunity to sell some of the bonds which he agreed to sell and place some memberships which he also agreed to place thereafter based upon his success in selling bonds and memberships he was to get $150.00 a month for a period of months thereafter. I don't recall just how long that was. I think it was six months.

Q. You mean for the first three months after Shoal Bay, Incorporated, acquired the property known as Shoal Bay, Mr. Turner was not to receive any monthly salary?

A. That is correct, sir.

Q. But that thereafter he was to receive a salary of $150.00 a month to manage the property known as Shoal Bay?

A. Yes sir. Conditioned on the performance of the obligations he assumed which was never carried out.

Q. Was Mr. Turner paid the $150.00 a month for managing the property for six months?

A. He was paid as long as the money held out. I don't know how long that was. He dissipated every dollar as fast as it came in.

Q. You don't know, as I understand, whether he was paid the $150.00 for six months, or for less than six months, or more than six months?

A. I don't know for the reason that no records was sent me of the transactions at Shoal Bay, and I didn't know what was going on there with respect to money matters as it was entirely left in the hands of Mr. Turner.

Q. Mr. Berry, is it not true that there were sent to you monthly statements certainly for several months showing the receipts and disbursements at Shoal Bay?

A. It is positively not true. The first I knew of Shoal Bay was sometime after the property had been going and Tom Turner's insistent demands for money, that I asked him to send me statements and he did send up some statements from which I haven't yet been able to discover just where the money went.

Q. What do you mean by saying the first you knew of Shoal Bay?

A. I mean exactly what I say, that I had no information as to just what was happening at Shoal Bay except that the business had increased about seventy five or a hundred per cent over the business of any preceding year and I thought it was going along splendidly.

Q. Then Mr. Thomas R. Turner, the man that you put in as Manager of Shoal Bay was not in your opinion a successful manager of the property?

A. He was an absolute failure. Mr. Turner was put in as manages based upon his representations of what he had acomplished, was accomplishing, and could accomplish, all of which representations I found to be absolutely false.

Q. Mr. Berry, is it not true that you in writing stated to Mr. Turner that if he would turn over to you all of his stock in Shoal Bay, Incorporated that you would guarantee the payment of the mortgage for $55,000.00, which is secured by the deed of trust to Whiting C. Faulkner and Joseph M. Hurt, Jr., trustees?

A. It was arranged with Turner, who represented that he could sell bonds and take club memberships that if he did that and thedeal went through as planned, he need not worry anything about his mortgage as his mortgage would be perfectly good, and I would guarantee his mortgage under those conditions. It was perfectly obvious to anyone and to everyone that the property had no such value as it was put into the company for at that time, as it was simply a development proposition and depended absolutely upon its development along the lines planned as to its future value. For that reason the guarantee was given to cover a period of five years, in order to get the property developed, and there can be no question that If Turner had carried out his obligation as promised and represented he could do that the property would be worth a great deal more money than it was put in the company for.

Q. Are these different terms and conditions of the guarantee you just set forth in writing?

A. Yes sir.

Q. In other words the contract between you and Mr. Turner is in writing?

A. Yes sir.

Q. Under which you took over the stock, sets forth these conditions and terms which you recited?

A. Yes sir.

Q. I ask you to produce it.

A. I will produce it.

Q. Will you produce it and leave a copy with the Commissioner?

A. I will.

WITNESS WILL PRODUCE IT TO BE MARKED F.D.B.#6, AND THE PAPERS ARE TO BE FILED.

Q. Did not Shoal Bay, Incorporated have a written contract with Mr. Turner setting forth the terms and conditions under which he was to manage Shoal Bay?

A. No sir.

Q. Was the agreement that you just recited with Mr. Turner that he should serve as manager for Shoal Bay for three months for nothing and for certain time thereafter in writing?

A. I think it was in the form of a letter I wrote to Mr. Turner personally.

Q. You were the president of Shoal Bay and you were writing in behalf of Shoal Bay, Incorporated?

A. Yes, but it was a personal proposition entirely, although it was incorporated.

Q. Have you a copy of that letter?

A. I think so.

Q. I ask you to produce it.

A. I will do so.

The same will be produced, filed and marked F.D.B.#7.

Q. Mr. Berry, you stated in effect that you didn't know why the bank did not assign to you Mr. Thomas R. Turner's note for $1000.00, except that they wanted in complicity with Mr. Turner to have the property known as Shoal Bay sold so that Mr. Turner could buy it in and proceed against your guarantee to pay the $55,000 in notes of Shoal Bay Incorporated which he holds?

Q. That statement was purely a conclusion on your part, wasn't it?

A. Based upon the s tatements made by the bank officials and the attorneys representing the bank, there could be no other conclusion.

Q. I ask you now to state fully, for the record, the statements of the bank officials and the attorneys to which you referred and from which you drew this conclusion so that the record itself may show whether or not your conclusion was properly drawn?

A. I will state that I went to the bank officials. I think the cashier of the bank and told him I came down to pay the note underwhich they were going to foreclose the mortgage and asked him to assign the note to me which he positively refused to do. I then offered to go up and see his attorneys and talk with them which I did and Mr. Whitley refused under any circumstances to permit me to pay the note and still have the obligation. They then upon my threatening suit, they then sent for another attorney, a Mr. Williams I think, who took the attitude and said the only advice he could give the bank was that they could not be forced to sell a note. I explained my position to him, that I was simply trying to protect my own personal interest and prevent foolish and expensive litigation which I knew would be bound to ensue. While I was discussing the matter with the bank officials and the attorneys in association with my own attorney, Mr. Joseph M. Hurt, Jr., the sale proceeded. They started to sell the property while I was trying to settle the matter with them and I was advised that if I did not hurry up and go out the property would be sold. I finally agreed that the only possible thing I could do, and they would permit me to do was to pay the money and take such a receipt as their attorneys chose to give me. Immediately the matter was closed up I went out and found the sale proceeding and Mr. Turner and some other young man bidding very high prices for the property. In view of the fact that the property was being foreclosed because Turner could not pay the note, it was ridiculous to think that he could bid $37,000.00 for the property which was the last bid I heard him make, and/there could have been no other reason for the attitude of the bank than the one I mentioned. That they were trying to insist on Turner acquiring the property under the foreclosure and make the attempt to pay for it with the guarantee of his mortgage.

Q. My understanding is, Mr. Berry, that your conclusion that you heretofore stated is drawn from these facts which you have hereinabove related?

A. Yes sir.

And further this deponent saith not.

13a

Virginia: In the Circuit Court of the County of Isle of Wight.

Federal Land Bank of Baltimore a corporation,

v). Chancery. No. 565.

Thomas R. Turner et als.

Depositions of F. D. Berry.

See also Commissioner's Report and Commissioner's report A, filed under separate covers.

LAW OFFICES
JOHNSON AND STEPHENS
SMITHFIELD, VIRGINIA

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore, a corporation, v. Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee.	)	AFFIDAVIT.

STATE OF VIRGINIA,

CITY OF SUFFOLK, To-wit:

This day Thomas R. Turner, one of the defendants in the above-styled suit who has filed in this cause his answer and cross bill naming as defendants to the said cross bill The Federal Land Bank of Baltimore, a corporation, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, State Planters Bank and Trust Company, Trustee, and F. D. Berry, personally appeared before me, Inez King, a Notary Public in and for the City and State aforesaid, in my City aforesaid, and made oath that F. D. Berry, one of the defendants named in the said cross bill, is not a resident of this State and that his last known postoffice address is No. 8 West 40th Street, New York, N. Y.

Given under my hand this 9th day of January, 1930.

My commission expires May 7, 1932.

Inez King

Notary Public.

8

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore, a corporation,

v. 565

Thomas R. Turner, et als.

AFFIDAVIT

Filed Jan 10-30

R. G. Edwards clk

Commonwealth of Virginia,

Sergeant of the City of Richmond,

To the ~~Sheriff of Isle of Wight County~~ *— Greeting:*

We Command You, That you summon Shoal Bay, Incorporated,

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the Third Monday in November, 1929, to answer a cross bill in chancery, exhibited against it in our said Court by Thomas R. Turner

And have then and there this writ.

Witness, R. A. Edwards, Clerk of our said Court, at the Courthouse, this 12th day of November, 1929, and in the 154th year of the Commonwealth.

R. A. Edwards, Clerk.

Legal and sufficient service of the within summons is hereby accepted.

Shoal Bay, Incorporated,

By: [signature]
President

Shoal Bay, Incorporated

Howard Smith, c/o Rogers & Smith
Real Estate

Shoal Bay, Incorporated

~~906 S. Main St~~
1635 W Grace St

Commonwealth of Virginia,

Sergeant of the City of Richmond,
To the ~~Sheriff of Isle of Wight County~~ *— Greeting:*

WE COMMAND YOU, That you summon F. D. Berry,

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the Third Monday in November, 1929, to answer a cross bill in chancery, exhibited against him in our said Court by Thomas R. Turner.

And have then and there this writ.

Witness, R. A. EDWARDS, Clerk of our said Court, at the Courthouse, this 12th day of November, 1929, and in the 154th year of the Commonwealth.

R. A. Edwards Clerk.

Legal and sufficient service of the within process is hereby accepted.

Shoal Bay, Inc.,

By: ______________
President

F. D. Berry

c

F. D. Berry

~~Real Estate Office lot 758~~

F. D. Berry

Not Found

He is a Non Residence of this State

His home is in New York

1.00 returned by

Jno F Saunders

Commonwealth of Virginia,

To the Sheriff of Isle of Wight County—Greeting:

WE COMMAND YOU, That you summon The Federal Land Bank of Baltimore, a corporation; George F. Whitley, Trustee; The Merchants and Farmers Bank, Incorporated of Smithfield, Virginia;

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the Third Monday in November, 1929, to answer a cross bill in chancery, exhibited against them in our said Court by Thomas R. Turner,

And have then and there this writ.

Witness, R. A. EDWARDS, Clerk of our said Court, at the Courthouse, this 12th day of November, 1929, and in the 154th year of the Commonwealth.

R. A. Edwards. Clerk.

We hereby accept
due and legal
service of the
within summons
The Federal Land
Bank of Baltimore,
a corporation
By Geo. F. Whitley,
Atty.

Geo. F. Whitley, Trustee
The Merchants & Farmers
Bank, Incorporated
of Smithfield
By Geo. F. Whitley
Atty.

6

Thomas R. Turner

ads. } CHANCERY NO.

The Federal Land Bank of Baltimore, a corporation, et als.,

ORIGINAL SUBPOENA

Virginia, Clerk's office of the Circuit Court of the County of Isle of Wight.

...., *19*........

Returned, entered and filed.

Teste:

....*Clerk*

To ....*Rules*

19........

....*p. q.*

Commonwealth of Virginia,

Sergeant the City of Richmond:

To the ~~Sheriff~~ *of* ~~Isle of Wight County~~ *— Greeting:*

WE COMMAND YOU, That you summon Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees; The State Planters Bank and Trust Company, Trustee; ~~and~~, F. D. Berry; and, Shoal Bay, Incorporated,

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the Third Monday in November, 1929, to answer a cross bill in chancery, exhibited against them in our said Court by Thomas R. Turner,

And have then and there this writ.

Witness, R. A. EDWARDS, Clerk of our said Court, at the Courthouse, this 12th day of November, 1929, and in the 154th year of the Commonwealth.

R. A. Edwards, Clerk.

c

Thomas R. Turner

ads. ~~XX~~ CHANCERY NO.

The Federal Land Bank of Baltimore, a corp., et als

ORIGINAL SUBPOENA

Virginia, Clerk's office of the Circuit Court of the County of Isle of Wight.

_______________, *19*____

Returned, entered and filed.

Teste:

_______________*Clerk*

To _______________ *Rules*

*19*____

_______________*p. q.*

Executed in the City of Richmond Va November 14th 1929 by delivering a Copy of the within Summons to W. J. Spiller assistance Trust Officer State and Planters Bank and Trust Company Trustee and Whiting C. Faulkner and Joseph M. Hurt Jr Trustees.

F. D. Berry is a Non Residence of Va Not Found

Shoal Bay, incorporated, Out of Business Not Found

John G. Saunders
City Sergeant of Richmond Va

By Gordon P. Smith
Deputy Sergeant

Commonwealth of Virginia,

Sergeant of the City of Richmond,

To the ~~Sheriff of Isle of Wight County~~—Greeting:

WE COMMAND YOU, That you summon Thos. R. Turner, Secretary-Treasurer of Shoal Bay, Incorporated;

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the First Monday in October, 1929, to answer a bill in chancery, exhibited against them in our said Court by The Federal Land Bank of Baltimore, a corporation,

And have then and there this writ.

Witness, R. A. EDWARDS, Clerk of our said Court, at the Courthouse, this 23rd day of September, 1929, and in the 154th year of the Commonwealth.

R. A. Edwards Clerk.

Thos. R. Turner,
Sec. & Trs. Shoal Bay
Inc.

Commonwealth of Virginia,

To the Sheriff of Isle of Wight County—Greeting:

We Command You, That you summon Thomas R. Turner, Secretary-Treasureer, of Shoal Bay, Incorporated,

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the First Monday in October, 1929, to answer a bill in chancery, exhibited against him et als in our said Court by The Federal Land Bank Of Baltimore, A Corporation.,

And have then and there this writ.

Witness, R. A. Edwards, Clerk of our said Court, at the Courthouse, this 28th day of Sept., 1929, and in the 154th year of the Commonwealth.

R. A. Edwards, Clerk.

Federal Land Bank Of Balto.,
A Corp.,

vs. } CHANCERY NO.

Thomas R. Turner, Sec.Trs et als.

ORIGINAL SUBPOENA

Virginia, Clerk's office of the Circuit Court of the County of Isle of Wight.

______________, *19*____

Returned, entered and filed.

Teste:

______________ *Clerk*

To First October *Rules*

*19*29

I. P. Whitehead., *p. q.*

Shff Fee Paid

Executed the within subpoena this the 30th day of Sept. 1929 by serving a true copy of the same on Thomas R. Turner, Sec'y. and Treas. Shoal Bay Inc., in person in the county of Isle of Wight.

W. C. Whitehead Sheriff.

Commonwealth of Virginia,

To the Sheriff of Isle of Wight County—Greeting:

WE COMMAND YOU, That you summon Thomas R. Turner, Geo. F. Whitley, Trustee, and the Merchants and Farmers Bank, Inc., Smithfield, Va.

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the First Monday in October, 1929, to answer a bill in chancery, exhibited against them in our said Court by The Federal Land Bank of Baltimore, a corporation,

And have then and there this writ.

Witness, R. A. EDWARDS, Clerk of our said Court, at the Courthouse, this 23rd day of September, 1929, and in the 154th year of the Commonwealth.

R. A. Edwards, Clerk.

Executed the within described subpoena this the 25th day of Sept. 1929 by serving a true copy of the same on Thomas R. Turner and Geo. F. Whitley, Trustee, in person and on Jas. R. Rowell Jr. Cashier for The Merchants and Farmers Bank Inc., Smithfield, Va. in the county of Isle of Wight.

[illegible] Sheriff.

The Federal Land Bank of Baltimore, a corporation

vs. } CHANCERY NO. ....

Thos. R. Turner et als

ORIGINAL SUBPOENA

Virginia, Clerk's office of the Circuit Court of the County of Isle of Wight.

..................................., *19*.......

Returned, entered and filed.

Teste:

..................................*Clerk*

To ....*Rules*

1929

I. P. Whitehead ....*p. q.*

Sheriff Fee Paid

Commonwealth of Virginia,

Sergeant of the City of Richmond,

To the ~~Sheriff of Isle of Wight County~~ *— Greeting:*

We Command You, That you summon Thos. R. Turner, Secreatary-Treasurer of Shoal Bay, Incorporated; Whiting C. Faulkner and Jos. M. Hurt Trustees; and, The State Planters Bank and Trust Company, Richmond, Virginia,

to appear at the Clerk's Office of the Circuit Court of the County of Isle of Wight at the rules to be holden for the said Court on the First Monday in October, 1929, to answer a bill in chancery, exhibited against them in our said Court by The Federal Land Bank of Baltimore, a corporation,

And have then and there this writ.

Witness, R. A. Edwards, Clerk of our said Court, at the Courthouse, this 23rd day of September, 1929, and in the 154th year of the Commonwealth.

R. A. Edwards, Clerk.

\# 2

The Federal Land Bank of Baltimore, a corporation,

vs. } CHANCERY NO.

Thos. R. Turner et als

ORIGINAL SUBPOENA

Virginia, Clerk's office of the Circuit Court of the County of Isle of Wight.

, 19

Returned, entered and filed.

Teste:

Clerk

To 1st. October — Rules

1929

J. P. Whitehead p. q.

Executed in the City of Richmond, Va Sept 25th 1929
by delivering a true copy of within process to
Whiting C. Faulkner and Geo W. Hurt, Trustees and
~~the~~ H. H. Augustine Vice President & Cashier of the
State and Planters Bank and Trust Company
Thomas R. Turner, not found John G. Saunders
Sergeant
by J. H. Floyd
Deputy Sergeant

VIRGINIA - IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY

THE FEDERAL LAND BANK OF BALTIMORE, a corporation ... Plaintiff

vs.

THOMAS R. TURNER, GEORGE F. WHITLEY, Trustee, SHOAL BAY, Inc., WHITING C. FAULKNER and JOSEPH M. HURT, JR., Trustees, THE MERCHANTS & FARMERS BANK, INC., of Smithfield, Virginia and STATE PLANTERS BANK & TRUST COMPANY, Trustee .... Defendants

\- - - - - - - -

THE ANSWER OF THE FEDERAL LAND BANK OF BALTIMORE TO THE CROSS-BILL OF THE DEFENDANT, THOMAS R. TURNER, FILED IN THE ABOVE STYLED SUIT IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY, VIRGINIA.

This Respondent, for answer to said cross-bill or to so much thereof as Respondent is advised that it is material it should answer, answers and says that the mortgage securing the debt, set out in its bill of complaint specifically provides that if the payments secured in the mortgage and note are not paid when due, then the whole debt secured to be paid by the mortgagor shall at the option of Complainant become immediately due and demandable, with the right vested in The Federal Land Bank of Baltimore to institute any proper proceedings for the foreclosure of said mortgage and sale of the land for the satisfaction of said demand.

Respondent herewith files the said mortgage as Exhibit 1 and prays that the same may be read as a part of this answer, from which it will appear that the allegations contained in Respondent's Bill are true and Respondent further files herewith as Exhibit 2 a certified copy of the minutes of the Board of Directors of The Federal Land Bank of Baltimore, which shows that the said debt has been declared due and payable and prays that the same may be read as a part of this answer.

Respondent further answering says that the five percent collection fee on the gross amount of the mortgage debt, claimed by Respondent in its said Bill of Complainant as a part of its debt, is set forth and provided to be paid in the note evidencing the said mortgage debt and secured by the mortgage from the said Thomas R. Turner to The Federal Land Bank of Baltimore, Respondent.

The language contained in the note is as follows: "If any default be made in any of such payments or in case of failure to comply with any of the requirements or covenants contained in the mortgage given by the makers to secure the payment of this note, then at the election of the holder of this note, without presentment or demand, the principal sum thereof, and all accrued interest thereon, shall at once become due and payable, including a collection fee of five percent and costs." A copy of the said note is here filed marked Exhibit 3 as a part of this answer and the original will be filed at the hearing if requested.

This Respondent further answering said cross bill reaffirms all the declarations and averments set forth in its bill in this cause as fully and as completely as if they were herein stated, and now, having fully answered the said cross bill this respondent prays that it may be granted the relief prayed for in its Bill of Complaint.

And, as in duty bound, Respondent will ever pray, &c.

THE FEDERAL LAND BANK OF BALTIMORE
BY- COUNSEL

Geo L Whitley

J P Whitehead p.d.

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VIRGINIA - IN THE CIRCUIT COURT OF
G ISLE OF WIGHT COUNTY

- - - - - - - - - - - - - - - - -

THE FEDERAL LAND BANK OF BALTIMORE

vs. ANSWER OF THE FEDERAL LAND BANK OF BALTIMORE

THOMAS R. TURNER et al

- - - - - - - - - - - - - - - - -

12/2/39.

HCR/mak
6-16-30
4C

VIRGINIA

oooOooo

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY:

THE FEDERAL LAND BANK OF BALTIMORE, ETC.,

-v-

THOMAS R. TURNER, AND OTHERS.

PETITION IN EQUITY

TO THE HONORABLE JUDGE OF THE CIRCUIT COURT OF
ISLE OF WIGHT COUNTY:

F. D. BERRY, hereinafter called the petitioner, respectfully presents this petition in the above entitled cause and sets forth and alleges as follows:

1. The petitioner, although a resident of the State of Virginia in his early life, is now a resident of New York in the State of New York; though he owns property in the State of Virginia located in the County of Chesterfield near the city of Petersburg, known as Ellerslie Farm.

11. Several years ago he became interested in acquiring an interest in thetract of land and improvements thereon known as Shoal Bay, situated in Isle of Wight County on the James River, containing Five Hundred and Twenty-five (525) acres, more or less, the title to which then stood, as the petitioner is advised, in

Thomas Randolph Turner, subhect to the dower interest or other interest therein of his mother Mrs. Sallie A. Turner. Through the instrumentality of the petitioner a corporation known as Shoal Bay, Incorporated, was created and organized under the laws of the State of Virginia, which corporation acquired title to said Shoal Bay property by a conveyance duly made under date of June 15,1929, and of record in the clerk's office of Isle of wight County in Deed Book 99 page 186; said conveyance was made in part for a cash consideration and the remaining part by deferred purchase money notes securing the sum of Fifty-five Thousand($55,000) Dollars, secured by a deed of trust upon said property duly executed by said Shoal Bay, Incorporated, to Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees, bearing date June 28,1927,and of record in said clerk's office in Deed Book 98 page 475; the said deferred purchase money notes, in view of the arrangement made between the petitioner and the said Thomas Randolph Turner, were guaranteed by the petitioner but subject to the operation of certain terms and conditions before said guaranty should become effective.

III. Said Shoal Bay, Incorporated conveyed certain property by deed dated June 18, 1927, to the State Planters Bank and Trust Company, Trustee, of record in Deed Book 98 page 467, in said clerk's office, in trust to secure certain bonds for the aggregate amount of One Hundred and Fifty Thousand ($150,000) Dollars, the proceeds of which were to be used in improving and exploiting said property to be used as a country club for the purpose of outdoor exercise and amusement of the members of the club. None of said bonds have ever been negotiated or issued.

IV. Subsequently the petitioner made advances to Shoal Bay, Incorporated, for the purpose of meeting running expenses, and to provide for the payment of taxes and other items, the total of such items aggregating,so far as the petitioner is now advised, about Sixteen Thousand ($16,000) Dollars.

V. The petitioner is the holder of most of the stock of the Shoal Bay,Incorporated, but only such shares of stock were issued to him as would be issued as a bonus along with bonds to be taken by subscribers thereto. There may be also outstanding a few shares of stock in the name of Thomas R. Turner and several others to qualify them as directors in said corporation. No other stock has been issued.

VI. In view of the situation above the petitioner became directly interested in certain prior liens existing on the Shoal Bay property, including the deed of trust lien to the Federal Land Bank of Baltimore, dated June 8, 1925, and of record in the said clerk's office in Deed Book 96 page 51, for the enforcement of which lien and otherrelief the bill in this cause has been filed. Particularly, also, the petitioner became interested in protecting said property from any sale under a certain second lien thereon covered by deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated November 20, 1926 and of record in the said clerk's office in Deed Book 98 page 127, by which deed a note for One Thousand ($1,000) Dollars was secured to the Merchants & Farmers Bank, Incorporated, of Smithfield, Virginia, evidenced by a note for that amount, bearing even date with said deed of trust, made by Thomas R. Turner and payable ninety (90)days after

after date to said bank. Said note was renewed from time to time, the deed of trust note being held as collateral security for other notes given the said bank by the said Thomas R.Turner. Sometime in the spring of 1929, the petitioner was advised that default had been made on the notes secured under said deed of trust and that the Trustee therein, namely, said George F. Whitley, had been requested by the bank as holder of the said note to make sale under said deed of trust. Petitioner thereupon made application to said bank, relying on his interest in said property and his right to protect the same against a sale under said deed of trust, to be allowed to purchase said note, but this was denied.

VII. Subsequently petitioner went to Smithfield, Virginia, on or about the date fixed for the sale under the deed of trust, namely, April 6, 1929, and again requested the said bank that it allow him to acquire the said note by purchasing the same and taking an assignment thereof. This was refused. The sale was proceeding pursuant to said deed of trust, and so the only course open to petitioner was to accept the terms of said bank to pay over the amount due on said note, with interest,and to accept said note with a receipt endorsed thereon by said bank reciting ~~xxxxxxxxg~~ the payment in full thereof from the petitioner. Said note, and the receipt thereon, and all other terms relating to this transaction,have already been laid before Commissioner A. E. S. Stephens, taking an account of liens on said property pursuant to a decree of reference to him of that effect.

VIII. The petitioner charges that he is not a volunteer in this matter; that he is entitled to protect his interests in said property against sale under said prior lien; that he is entitled to purchase and take an assignment of saidnote,that said note has not been paid and satisfied, but is now held by the petitioner as a live obligation in his hands as a charge upon said property.

IX. The petitioner further charges that he is entitled to have said lien reported in his favor as the present owner thereof, and the amount thereof to be paid to him with interest, according to his testimony as herein held and as shown in the evidence laid before said Commissioner by depositions.

X. The petitioner, therefore, prays for leave to file this petition;that his rights and interests as herein set out may be established and enforced in this cause; that said lien under said deed of trust from said Thomas R. Turner to said George F. Whitley, Trustee, dated November 20,1926, may be preserved and enforced for the petitioner's benefit; that all necessary proceedings may be taken and evidence introduced, and other relief had,that may be necessary to effect and give to the petitioner the relief herein prayed for; and that the petitioner may have all general and special relief in the premises.

And the petitioner will ever pray, etc.

T. D. Berry

By McGuire, Riely & Eggleston
His Counsel.

State of New York, }
County of New York, } ss.:

No. 26197 Series C

Form 1

I, DANIEL E. FINN, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, having a seal, DO HEREBY CERTIFY, That

Jessie Seidenberg

whose name is subscribed to the deposition or certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such deposition, or proof and acknowledgment, a Notary Public in and for such County, duly commissioned and sworn, and authorized by the laws of said State, to take depositions and to administer oaths to be used in any Court of said State and for general purposes; and also to take acknowledgments and proofs of deeds, of conveyances for land, tenements or hereditaments in said State of New York. And further, that I am well acquainted with the handwriting of such Notary Public, and verily believe that the signature to said deposition or certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, the 27 day of June 192 30

Daniel E Finn

Clerk.

STATE OF ~~VIRGINIA~~ New York,
COUNTY OF ~~CHESTERFIELD~~ New York, TO-WIT:

I, Jessie Seidenberg a notary public for the County of ~~Chesterfield~~ New York in the State of ~~Virginia~~ New York, do certify that T. D. BERRY, to me personally known, this day personally appeared before me in my said county and state, and made oath that the matters set forth in the foregoing petition are true to the best of his knowledge and belief.

Given under my hand this 21st day of June, 1930.

Jessie Seidenberg
Notary Public.

NOTARY PUBLIC, NEW YORK COUNTY
N. Y. COUNTY NO. 132
REGISTER NO. [illegible]
EXPIRES MARCH [illegible]

11

VIRGINIA: IN THE CIRCUIT COURT
OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF
BALTIMORE, ETC.

-v-

THOMAS R. TURNER, AND OTHERS

PETITION IN EQUITY

PETITION OF

F. D. BERRY

PRAYING FOR ENFORCEMENT OF
DEED OF TRUST FOR $1,000
AGAINST SHOAL BAY PROPERTY
FOR HIS BENEFIT.

6-25-30

McGuire, Riely & Eggleston
Attorneys & Counselors at Law
Richmond, Virginia

VIRGINIA STATIONERY CO., RICHMOND, VA.

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore, a corporation, v. Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee.	ANSWER AND CROSS BILL OF THOMAS R. TURNER.

The answer of Thomas R. Turner to a bill of complaint filed against him and others in the Circuit Court of Isle of Wight County, Virginia, by The Federal Land Bank of Baltimore.

This respondent, reserving to himself the benefit of all just exceptions to the said bill of complaint, for answer thereto, or to so much thereof as he is advised that it is material he should answer, answers and says:

1. That the allegations contained in paragraph 1 of complainant's bill are admitted.

2. That the allegations contained in paragraph 2 of complainant's bill are admitted.

3. That the allegations contained in paragraph 3 of complainant's bill are admitted.

4. That the allegations contained in paragraph 4 of complainant's bill are neither admitted nor denied, and strict proof thereof is demanded.

5. That the allegations contained in paragraph 5 of complainant's bill are admitted, except that it is neither admitted nor denied that a collection fee of 5% on the gross amount of the debt is provided for in said note, and strict

proof thereof is demanded.

6. That the allegations contained in paragraph 6 of complainant's bill are admitted, except the allegation that there is now due a collection fee of 5% on the gross amount of the debt due.

7. That the allegations contained in paragraph 7 of complainant's bill are admitted.

8. That as to the allegations contained in paragraph 8 of complainant's bill this respondent says that he is also advised that the sum of $1,000.00 due The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by deed of trust mentioned in paragraph 7 of complainant's bill, was paid by F. D. Berry, and that this respondent is also not advised whether the said Berry made payment individually or as President of Shoal Bay, Incorporated, but this respondent says that however the said payment was made by the said F. D. Berry the said debt has been satisfied and the deed of trust securing the same should be released as a lien against the property described therein.

9. That the allegations contained in paragraph 9 of complainant's bill are admitted, but this respondent further says that the said conveyance was made subject to the mortgage dated June 8, 1925, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, securing to The Federal Land Bank of Baltimore the payment of the sum of $15,000.00, evidenced by a note for that amount therein described, and, also, subject to the deed of trust to George F. Whitley, Trustee, dated November 20, 1926, and recorded in the

Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, securing to The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, the payment of the sum of $1,000.00, evidenced by the note therein described, and that the said Shoal Bay, Incorporated, also executed the said conveyance to it and assumed the payment of the balances due on the debt of $15,000.00 secured by the said mortgage and the debt of $1,000.00 secured by the said deed of trust.

10. That the allegations contained in paragraph 10 of complainant's bill are admitted. This respondent further says that while the deed of trust described in paragraph 10 of complainant's bill was given in trust to secure certain bonds in the aggregate sum of $150,000.00, described in the said deed of trust, he is advised that none of the said bonds has been authenticated by the trustee, none has been disposed of, and that none is now outstanding. That the said mortgage to secure the said bonds provides that Shoal Bay, Incorporated, will pay the principal sum of money secured by the mortgage to The Federal Land Bank of Baltimore and secured by the deed of trust to George F. Whitley, Trustee for The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, according to the tenor and effect of the said mortgage and the said deed of trust, and that in the event of default in the payment of either the interest or principal secured by the said mortgage and deed of trust, or either of them, then the indebtedness secured by the deed of trust described in paragraph 10 of complainant's bill, that is to say, the bonds in the aggregate sum of $150,000.00, shall automatically become due and payable on

account of such default in the payment of said mortgage due The Federal Land Bank of Baltimore and the deed of trust to George F. Whitley, Trustee for The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia. That default having been made in the payment of the debt secured by the mortgage due The Federal Land Bank of Baltimore, the indebtedness, if any, secured by the deed of trust described in paragraph 10 of complainant's bill has become due and payable, and by reason thereof no bond can thereafter be authenticated by the trustee under the said deed of trust and be disposed of and be secured by the said deed of trust. This respondent herewith files a copy of the said deed of trust from Shoal Bay, Incorporated, to State Planters Bank and Trust Company, Trustee, dated June 18, 1927, admitted to record in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, marked "Exhibit A", and made a part of this answer.

11. That the allegations contained in paragraph 11 of complainant's bill are admitted. This respondent further says that no part of the principal of the notes secured by the deed of trust mentioned from Shoal Bay, Incorporated, to Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, has been paid, and that very little of the interest due on said notes has been paid, and there is due him on the debt secured by the said mortgage the said sum of $ 55,000.00, with interest thereon from the day of , 19 , until paid.

12. That the allegation contained in paragraph 12 of complainant's bill is admitted.

And now, having fully answered the complainant's bill, this respondent prays that this, his answer, be also treated as a cross bill; that the said The Federal Land Bank of Baltimore, a corporation, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, the State Planters Bank and Trust Company, Trustee, and F. D. Berry, be made defendants to this bill and be required to answer the same, but not on oath, the oath being hereby waived; that proper process may issue; that all proper orders and decrees may be made; that the deed of trust described in paragraph 7 of complainant's bill from Thomas R. Turner to George F. Whitley, Trustee, dated November 26, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, to secure The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, a debt in the sum of $1,000.00, be ordered to be marked satisfied and released, the said debt having been paid by F. D. Berry; that the deed of trust described in paragraph 10 of complainant's bill from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated June 18, 1927, in trust to secure certain bonds therein described in the aggregate sum of $150,000.00, be declared null and void, and that the same be ordered to be marked satisfied and released on the records in the said Clerk's Office; that the said cause be referred to one of the commissioners of this Court to ascertain with certainty the name of each lienor, the amount of each lien with interest, its character, and priority, affecting the said property known as Shoal Bay, before any order is entered by the Court directing the sale of the said land to discharge the liens thereon; and that your respondent may have all such further and other and general relief in the premises as the nature of his case may require, or to equity shall seem meet.

Thomas R. Turner
Respondent.

By James H. Corbitt
Counsel.

James H. Corbitt
Counsel.

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VIRGINIA:
IN THE CIRCUIT
COURT OF ISLE OF WIGHT COUNTY

The Federal Land Bank of
Baltimore, a corporation,

v.

Thomas R. Turner, et als.

ANSWER AND CROSS BILL
OF
THOMAS R. TURNER.

1939
Nov 4
[illegible]

LAW OFFICES OF
JAMES H. CORBITT
SUFFOLK, VIRGINIA

VIRGINIA - - IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY

THE FEDERAL LAND BANK OF BALTIMORE, a corporation.......Plaintiff

VS.

THOMAS R. TURNER, GEORGE F. WHITLEY, TRUSTEE, SHOAL BAY, INCORPORATED, WHITING C. FAULKNER AND JOSEPH M. HURT, JUNIOR, TRUSTEES, THE MERCHANTS AND FARMERS BANK, INCORPORATED, OF SMITHFIELD, VIRGINIA, and STATE PLANTERS BANK AND TRUST COMPANY, TRUSTEE ....Defendants

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TO THE JUDGE OF THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY, VA.

YOUR COMPLAINANT, The Federal Land Bank of Baltimore, a corporation, showeth unto Your Honor the following facts:

1. THAT on the 8th. day of June, 1925, Thomas Randolph Turner, (a bachelor) of the County of Isle of Wight, Virginia, made and delivered unto your Complainant his promissory note, whereby he promised to pay Complainant the principal sum of Fifteen Thousand dollars ($15,000.00), with interest thereon at the rate of five and one-half per cent per annum (5½%), the principal and interest payable in sixty-eight (68) semi-annual payments of Four Hundred and Eighty-Seven dollars and fifty cents ($487.50) each, on the 8th. day of December and June in each and every year, and a final payment of Four Hundred Eighty-Six Dollars and Eighteen Cents, ($486.18) on the 8th. day of December, 1959.

2. THAT to secure the payment of said debt (note) and the interest to accrue thereon, the said Thomas Randolph Turner, by his certain deed commonly called a mortgage, dated the 8th. day of June, 1925, and of record in the Clerk's Office of Isle of Wight County, Virginia, in Deed Book 96, page 151, conveyed unto Complainant in fee simple all that tract or parcel of land situate in Isle of Wight County, Virginia, and containing 525 acres, more or less, and fully described in said mortgage, which mortgage Complainant charges is a first lien on the land thereby conveyed.

3. THAT all of the payments which became due and payable up to and including the payment due December 8, 1928, were made and proper credit has been given said mortgagor , but the payment which became due and payable on June 8, 1929 has not been paid but is wholly in default.

4. IT is provided in said mortgage that if the payments set out in said mortgage and note are not paid when due, then the whole of the said debt secured to be paid by said mortgagor shall, at the option of the Complainant, become immediately due and demandable, with the right vested in Complainant to at any time thereafter institute any proper proceedings for the foreclosure of said mortgage and sale of said lands for the satisfaction of Complainant's said demand.

5. THAT default having been made as aforesaid, Complainant has exercised its option and demanded of the said defendants payment of the whole of said debt, principal and interest, and now demands payment of the same in full, together with a collection fee of 5% on the gross amount of the debt as provided for in said note, as well as the costs of these proceedings.

6. THAT the amount now due to Complainant from the Defendants is the sum of $14,429.66, with interest thereon at 5½% per annum from December 8, 1928, and a collection fee of 5% on the gross amount of the debt due.

7. THAT subsequently, to wit: On the 20th. day of November, 1926 the said Thomas R. Turner conveyed the aforesaid mortgaged land to George F. Whitley, Trustee, by deed of trust recorded in the Clerk's Office of Isle of Wight County, Virginia in Deed Book 98, page 127, to secure The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia a debt for the sum of $1,000.00.

8. Complainant is advised that the said debt has been paid by F. D. Berry, though Complainant is not advised whether the said

Berry made payment individually or as President of Shoal, Bay, Incorporated.

9. THAT subsequently Thomas R. Turner, and Sallie A. Turner conveyed the aforesaid mortgaged land to Shoal Bay, Incorporated by deed dated June 15, 1927 and recorded in the Clerk's Office of Isle of Wight County, Virginia, in Deed Book 99, page 186 on the 28th. day of June, 1927.

10. THAT subsequently, to wit: On the 18th. day of June, 1927 Shoal Bay, Incorporated, conveyed the aforesaid mortgaged land to the State Planters Bank and Trust Company, Trustee, by deed of trust recorded in the Clerk's Office of Isle of Wight County, Virginia, in Deed Book 98, page 467, in trust to secure certain bonds in the aggregate sum of $150,000.00.

11. Complainant is further advised that subsequently, to wit: On the 18th. day of June, 1927, the said Shoal Bay, Incorporated, conveyed the aforesaid mortgaged land to Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, by deed of trust recorded in the Clerk's Office of Isle of Wight County, Virginia, in Deed Book 98, page 475, on the 28th. day of June, 1927, in trust to secure Thomas R. Turner a certain debt therein set out.

12. Complainant is advised that the taxes on the said mortgaged land for the year 1928 have not been paid and that they amount to the principal sum of $329.00.

IN CONSIDERATION WHEREOF, and as your Complainant is without adequate remedy, save in a Court of Equity where matters of such nature are properly and alone cognizable, your Complainant prays that the said Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and

Farmers Bank, Inc. of Smithfield, Virginia and State Planters Bank and Trust Company, Trustee, be made parties defendant to this suit, with leave to answer the allegations of this Bill of Complaint; but answer under oath from them or either of them is hereby and herein expressly waived; that the said Defendants be required to redeem the aforesaid mortgaged land by paying to your Complainant the aforesaid sum of $14,429.66, with interest thereon at five and one-half per cent per annum from December 8, 1928, together with the said collection fee of 5% on the gross amount of the debt due as provided in the note, and all costs and charges incident to the prosecution of this suit, and in default of such payment that the said land be sold to pay off and satisfy the aforesaid debts and demands; and that all necessary accounts be ordered and taken, and such further, general and special relief be granted as the case of your Complainant requires and to equity may seem meet.

And, as in duty bound, your Complainant will ever pray, &c.

THE FEDERAL LAND BANK OF BALTIMORE

BY - COUNSEL.

Geo F Whitley

J P Whitehead p.q.

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#565 3

VIRGINIA - IN THE CIRCUIT COURT
OF ISLE OF WIGHT COUNTY

The Federal Land Bank of Baltimore	)	
	)	BILL
vs.	)	OF
	)	COMPLAINT
Thomas R. Turner, et al	)	

9-23-29. Memo filed
process issued.
1st Oct- Rules Process returned
executed & filed. Bill filed.

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore

v) Chancery. No.565.

Thomas R. Turner, George F. Whitley, trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Jr., trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, State Planters Bank and Trust Company, trustee, and F. D. Berry.

To Honorable B. D. White,

Judge of the Circuit Court of the County of Isle of Wight, State of Virginia.

Your Commissioner reports and files the following as "Commissioner's Report A", in which is contained: Statement of the facts in this case, based upon the evidence of F. D. Berry; the exhibits filed; and the records in the Clerk's Office of the Circuit Court of the County of Isle of Wight, State of Virginia; the legal questions involved; and the conclusions of your Commissioner, together with his reasons and authorities therefor, and which said "Commissioner's Report A" is specifically made a part and is to be taken and read along with the findings of your commissioner in this matter and filed and designated as "Commissioner's Report".

Before going into a discussion of the questions of law in this case and the respective rights of the parties interested in this litigation your Commissioner deems it wise to preface his reasons and authorities with a brief statement of the facts in this case as shown from the testimony, exhibits filed and the records in the Clerk's Office, which is as follows, to-wit:

On the 8th. day of June, 1925, Thomas R. Turner, the owner of the remainder, and Sallie A. Turner, a widow and the owner of the life estate, conveyed to the Federal Land Bank of Baltimore, a corporation, a certain tract of land situate in Hardy Magisterial District, County of Isle of Wight, State of Virginia, estimated to contain five hundred and twenty five acres, more or less, and bounded by the lands of E. T. Remick, B. T. Epps, et als, to secure the payment of the sum of fifteen thousand dollars, which said mortgage was recorded in the Clerk's Office of the Circuit Court of the aforesaid County, on the 15th., day of June, 1925, and in Deed Book 96, page 151. That subsequently, to-wit: on the 20th. day of November, 1926, the said Thomas R. Turner, an unmarried man, conveyed all of his right, title and interest in and to the aforesaid tract of land to George F. Whitley, trustee, in trust to secure the Merchants and Farmers Bank, a banking corporation, of Smithfield, Virginia, the payment of a certain promissory negotiable note for the sum of one thousand dollars, which said note is therein fully set out and described, this said deed of trust being recorded in the aforesaid Clerk's Office on the 23rd. day of November, 1926, in Deed Book 98, at page 127. Sometime after the execution and recording of the deed of trust, last above mentioned, negotiations were begun for the expansion and improvement of the aforesaid tract of five hundred and twenty five acres, more or less, generally known and described as "Shoal Bay", cultimating in the organization, under the laws of the State of Virginia, of a corporation known as Shoal Bay, Incorporated. Shortly thereafter, to-wit: on the 15th. day of June, 1927, Thomas R. Turner, a bachelor and Sallie A. Turner, a widow, conveyed to Shoal Bay, Incorporated, all of their right, title and interest in and to a tract of land containing seven hundred and forty eight and one half acres by survey, but in which said deed is specifically described as being the tract of land known and described, as "Shoal Bay", which said deed was recorded in the Clerk's Office aforesaid, on the 28th. day of June, 1927, in Deed Book 99, at page 186, The consideration expressed in this deed is ten dollars and other considerations, and the assumption by the grantee of the liens against the property totalling sixteen thousand dollars, and therein described as a lien to the Federal Land Bank of fifteen thousand dollars, and a second lien to the Merchants and Farmers Bank of one thousand dollars, which said assumption was agreed to by the grantee as evidenced by its signing, and sealing the deed aforesaid.

On the 18th. day of June, 1927, Shoal Bay, Incorporated, conveyed to State Planters Bank and Trust Company, in trust to secure the payment of a certain bond issue totalling the sum of one hundred and fifty thousand dollars, all of its right, title and interest in and to said tract of land known as "Shoal Bay" which said deed of trust was recorded in the aforesaid Clerk's Office at 11:30 o'clock, A.M., on the 28th., day of June, 1927, in Deed Book 98, at page 467. It is specifically provided that upon authenication by the said trustee of the aforesaid bonds they were to be sold and the proceeds arising from such sale should be applied: first, in payment of the liens totalling sixteen thousand dollars against the property; second, to pay Thomas R. Turner the sum of five thousand dollars on account of the purchase price of the said real estate; and, third, for the betterment and improvement of the real estate.

On the 18th. day of June, 1926, Shoal Bay, Incorporated, conveyed to Whiting C. Faulkner and Joseph M. Hurt, Jr., trustees, in trust to secure the holder thereof the payment of the sum of fifty five thousand dollars, evidenced by six promissory notes of even date, drawn by Shoal Bay, Incorporated, payable to Thomas R. Turner, five years after date, five of said notes being for the sum of ten thousand dollars each and the sixth for five thousand dollars with interest from date at the rate of six per centum per annum, payable semi-annually, all of its right, title and interest in and to the aforesaid real estate known as "Shoal Bay", which said deed of trust was recorded in the aforesaid Clerk's Office, at twelve o'clock, noon, on the 28th. day of June, 1927, in Deed Book 98, at page 475.

It next appears from the testimony of F. D. Berry and the exhibits filed, that the note for one thousand dollars secured by the deed of trust, dated the 20th. day of November, 1926, having become past due the Merchants and Farmers Bank, the legal holder of said note, caused the property known as "Shoal Bay" to be advertised by George F. Whitley, trustee, pursuant to the terms of the deed of trust, which said sale was advertised to take place in the town of Smithfield, County and State aforesaid, on the 6th. day of April, 1929, Mr. Berry appeared at the sale and approached the bank officials offering to pay them the amount of the note, plus all proper costs, provided the bank would assign the note to him. This the bank refused to do stating that they could not be made to assign a note. After what appears to have been considerable negotations and arguments the bank finally, agreed to mark the original note paid and write a reciept across the face of the renewal note showing that Mr. Berry had paid the money and deliver it, together with the original note to him upon his paying the amount due. Mr. Berry agreed to this and delivered to the bank a certified check for one thousand and twenty dollars, paid in cash the sum of eleven dollars and ten cents, and received the notes, marked paid, from the bank. Across the face of the original note, filed and marked F.D.B. #3 is the following endorsement, to-wit: "Paid--4/6-29. The Merchants and Farmers Bank--By E. H. Williams, Attorney". Across the face of the renewal of the original note, filed and marked F.D.B.#4 is the following endorsement, to-wit: "Rec'd of F. D. Berry $1031.00, in full payment note Thomas R. Turner, dated 2/3/1929, for $1000." The same debt being evidenced by the original note of Thomas R. Turner, dated 11/20/1926, said note being also marked paid-dated 6th. day of April, 1929. The Merchants & Farmers Bank--By, E. H. Williams, Atty. Mr. Berry further testified that he was not acting for Shoal Bay, Incorporated, of which said corporation he had been President since its organization, but was acting in his individual capacity in order to protect his interest in the property on account of his having advanced approximately sixteen thousand dollars to the corporation and Thomas R. Turner, and in order to substantiate this statement he has filed an itemized statement, marked "F.D.B#1" showing advances aggregating eleven thousand dollars. In addition to this he stated that he was also prompted to act as he did because he had personally guaranteed the debt of fifty five thousand dollars held by Thomas R. Turner, upon certain conditions, and he further testified that the conditions upon which he personally guaranteed to Thomas R. Turner his six notes aggregating fifty five thousand dollars had not been preformed and he was no longer liable. A copy of one of the notes has been filed, marked "F.D.B.#2", the endorsement on the back of which appears as follows, to-wit: "I hereby guarantee the payment of the within note, both as to principal and interest, at maturity. (Signed) F.D.Berry".

Thereafter, default was made in the payments due the Federal Land Bank of Baltimore, and this cause was instituted by it for the enforcement of its mortgage. Thomas R. Turner, by his answer and cross bill, filed in this cause, prays that the one thousand dollar deed of trust payable to the Merchants and Farmers Bank, be declared paid and ordered cancelled of record, alleging that F. D. Berry acted merely as a volunteer in satisfying the debt due the Merchants and Farmers Bank, Incorporated, as he had no such interest in the real estate in question as would entitle him to be subrogated to the rights of the Merchants and Farmers Bank, Incorporated, as against him the said Thomas R. Turner, and F. D. Berry comes in and resists the contention of Thomas R. Turner and asked that he, F. D. Berry, be subrogated to the rights of the Merchants and Farmers Bank, against Thomas R. Turner.

The main question for consideration is that of subrogation, specifically raised in the second inquiry contained in the decree entered in this cause on the 1st. day of April, 1930, wherein your Commissioner is directed to ascertain whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, Smithfield, Virginia, and secured by a deed of trust from Thomas R. Turner to George F. Whitley, trustee, dated the 20th., day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, State of Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and, whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be marked satisfied and released upon the margin of the deed book wherein it is recorded.

In the case of Turner v. Citizen's Bank, 111 Va., 184, 68 S. E. 407, the law of subrogation is stated to be as follows, to-wit: "(1) 'Legal subrogation is not founded upon contract or privity or strict suretyship. It is born of equity, and results from the natural justice of placing the burden where it ought to rest. It does not flow from any fixed rule of law, but rather from principles of justice equity and benevolence. It is purely equitable result, depending like other equitable doctrines upon the facts and circumstances of each particular case to call it forth. It is a device adopted or invented by equity to compel the ultimate discharge of a debt or obligation by him who in good conscience ought to pay it."

In Volume 25 Ruling Case Law, page 1324, the law of subrogation is succintly and clearly stated to be:

"While subrogation is founded on principles of equity and benevolence, and may be decreed where no contract exists, yet it will not be decreed in favor of a mere volunteer, who, without any duty, moral or otherwise, pays the debt of another; for such person can establish no equity, and can obtain the right of substitution by contract only. The demand of a creditor which is paid with the money of a third person, and without any agreement that the security will be assigned or kept on foot for the benefit of such third person, is absolutely extinguished. A stranger or volunteer, as those terms are used, with reference to the subject of subrogation, is one who, in no event resulting from the existing state of affairs, can become liable for the debt, and whose property is not charged with the payment thereof, and cannot be sold therefor. He is not necessarily one who has had nothing to do with the transaction out of which the debt grew. Anyone being under no legal obligation or liability to pay the debt is a stranger, and if he pays the debt, a mere volunteer."

In 37 Cyc., page 375, there is found the following statement of the law of subrogation:

"It always requires something more than the mere payment of a debt in order to entitle the person paying the same to be substituted in the place of the original creditor. There must be a discharge of a legal obligation for another, who is under a primary obligation, for no man can make another his debtor without his consent; and, only a creditor or person under liability can invoke the doctrine-there being no debt, there can be no ground for subrogation. Furthermore the payer must have acted on compulsion to save himself from loss, and it is only in cases where the person paying the debt of another stands in the relation of a surety or is compelled to pay in order to protect his own interests, or by virtue of legal process, that equity substitutes him in place of the creditor without any agreement to that effect; in other cases the debt is absolutely extinguished, and thus a mere volunteer or intermeddler, who, having no interest to protect and without any legal or moral obligation, pays the debt of another is not entitled to subrogation without an agreement to that effect or an assignment of the debt, the payment in this case absolutely extinguishes the debt."

The basis of the contention of Berry that he had such an interest in the real estate in question as would entitle him to pay off the debt of one thousand dollars due the bank and be substituted in the place of the bank as against Turner may properly be divided into three parts, First: That he had advanced the corporation in cash from his personal funds the sum of approximately sixteen thousand dollars, Second: That he had personally guaranteed six certain notes of an aggregate total of fifty five thousand dollars, made by Shoal Bay, Incorporated, secured by a deed of trust on the real estate in question, and held by Turner; and, Third, that he is a stockholder of said corporation. The first of the aforesaid three divisions will be considered first.

Berry in his testimony stated that he had advanced the corporation from his personal funds the sum of approximately sixteen thousand dollars in support of which he offered in evidence an itemized statement thereof totalline eleven thousand, three hundred, eighty two dollars and seven cents. The difference between his testimony and the itemized statement is unaccounted for. Upon a close examination of the items contained in the itemized account so filed it appears that some of the advances so made were to Turner personally, others were to pay the taxes due on the property of the corporation, others to purchase certain household and kitchen effects for the use of the corporation, and yet others to pay the travelling expenses of Berry and others allegedly about the business of the corporation. However, be this as it may, it nowhere appears from the evidence that such advance on the part of Berry were ever requested by the corporation of him; that he was compelled to make them in accordance with a contract he had with the corporation; or, had any provisions made for the repayment of the advances so made on the part of the corporation. It is to be concluded that the only reason Berry had for so generously advancing his personal funds to the corporation was that he had unlimited faith in the ultimate financial success of the corporation. Therefore, to hold that by virtue of these advances so made by Berry to the corporation he obtained such an interest in the real estate as would entitle him to pay off and discharge a secured debt of the corporation and become substituted in the place of the original creditor would be subversive of the law of contracts and good business practices. Certainly as to this particular phase of the case, Berry has constituted himself a mere volunteer of the rankest sort with its attendant legal consequences.

We arrive next at the question of what interest did Berry acquire in the real estate in question by virtue of his personal guaranty of the notes for fifty five thousand dollars executed by the corporation and delivered to Turner.

From a careful examination of the evidence it appears that on the day this property was advertised for sale Berry appeared and requested the bank to assign the note to him and he would make full satisfaction. This the bank refused to do. Turner was present at the sale and made no request of Berry to satisfy the bank. Under this state of facts it is evident that no contract existed between Berry and Turner wherein Berry was to pay off and satisfy the bank.

Berry had, it is conceded, endorsed the said notes but the evidence does not disclose that he did so under compulsion, or that he had any sort of agreement with the corporation wherein he agreed to personally guarantee the said notes. It is apparent that the entire transaction was voluntary on his part. Then, too, it is to be noted that Berry testified that he was prompted to act as he did in the matter of satisfying the bank in order to protect himself as endorser on the paper in question, but he comes in now and testifies that his endorsement thereof was conditional with certain conditions to be performed by Turner and that Turner having failed in the fulfillment of these conditions he, Berry, is no longer liable under his personal guaranty. However, the record does not disclose that there had been any material change in the status of affairs from the time of the sale until now. On the other hand it would seem that Berry and Turner had reached an impasse prior to the attempted sale, as a matter of fact the failure of these two parties to further agree appears as the real reason for the sale. Therefore, it would seem, in the interest of consistency, if nothing else, that if Berry were liable under his personal guaranty as the time of the attempted sale he is now liable, and, conversely, if he was not liable at that time he is not now liable. But, be this as it may, the guaranty of Berry and the note of one thousand dollars payable to the bank are separate and distinct transactions and obligations having absolutely no connection one with the other in the case of Berry and Turner. The corporation, not Berry, had assumed the payment of this obligation and by no mode of legal reasoning can it be said that the endorsement of Berry on these said notes made him liable for the payment of the said one thousand dollars. He was not bound for the payment of the debt of one thousand dollars, his property could not be placed on sale in satisfaction thereof and there is not way by which the arms of the laws could have stretched out and held him personally liable for the payment of this sum. Berry was surety on a debt, due to, and not by, Turner, a debt due Turner on account of the purchase price of the property in question. Furthermore, it will be remembered that the corporation had assumed the payment of the debt of one thousand dollars due the bank as testified to by its signing and sealing the deed from Turner to it, the legal effect of which was to make the corporation primarily liable to Turner for the satisfaction thereof, hence when Berry came in and satisfied this indebtedness he was doing nothing more than carrying out a contractual obligation of the corporation. Berry, as President of the corporation, knew, or should have known, intimately, the terms of the contract with Turner.

Counsel for Berry in their brief filed in this matter place considerable reliance upon the case of Gatewood v. Gatewood, 75 Va., 407, in which the court said, in part:

"It may be laid down as a rule of almost universal acceptance that when there is a mortgage upon real estate, any person who has a right to redeem such mortgage and actually does redeem it, is entitled for his indemnity to be subrogated to the lien of the mortgage, and to hold the land until he is reimbursed to the amount so paid."

It is true that the foregoing is a correct statement of the law but it cannot be applied in behalf of the contention of Berry for it is obvious that in this case there existed no right to redeem on the part of Berry. He was neither a maker or surety of this particular debt, he had no subsequent lien on the property to protect, he was not the owner of any interest in the real estate, and he had no agreement with Turner to satisfy the debt and the hold the same until he was reimbursed.

Lastly we are confronted with the question of what rights accrued to Berry by virtue of the fact that he was a stockholder in the corporation.

In 14, C. J., page 848, the law on this subject is stated to be as follows:

"Stockholders, as such, are not creditors of the corporation, but they may by bona fide and independent dealings with the company become creditors and as such stand on an equality with, and possess all the rights and remedies of any other creditor in securing, protecting and securing their claims."

It is manifestly true that one claiming through a corporation as a stockholder, therein, cannot place himself in a position higher than that occupied by the corporation itself, and this rule would more forcibly apply in the case of the President of the corporation. In the case before us the corporation had assumed the payment of the debt to the bank. It signed and sealed the deed of bargain and sale from Turner to it, wherein it agreed to assume the debt in consequence of which it became legally bound for the payment thereof. It follows, therefore, that in settling the debt due the bank Berry merely fulfilled a contractual obligation of the corporation to settle the debt. Certainly the corporation would not be entitled to subrogation as against Turner as it was legally bound to pay the debt, and hence a stockholder advancing money to the corporation to enable it to discharge a mortgage, is not entitled to subrogation to the rights of the mortgagee. Karasik v. People's Trust Co., 252 F. 324, affirmed in 252 F. 337.

It is contended in behalf of Berry that the doctrine of subrogation being a creature of equity it does not follow any hard and fast rules but each case depends upon its particular facts and circumstances. This is true to a certain extent but there are certain bounds within which one has to confine himself in order to be entitled to the benefits of this doctrine. In the case of American Surety Co. v. White, 142 Va., 1, Judge Campbell, in delivering the opinion of the court, had this to say:

"While it is true that subrogation is the creature of equity, and essential justice is its object, it must be enforced with due regard to the right, legal and equitable, of others. It cannot be invoked so as to work an injustice or defeat a legal right." Baugh & Sons v. Black, 120 Va., 12, 90 S. E. 607; Wolford v. Bias, 79 W. Va., 349, 90 S. E. 875.

In this case Turner is legally entitled to have the debt due the bank paid by the corporation in accordance with the terms of the deed from Turner to the corporation, hence it follows that to permit Berry to be subrogated to the rights of the bank as against Turner would be to violate the terms of his contract (deed) with the corporation and circumvent the rights of Turner, both legal and equitable. Clevinger v. Miller, 27 Gratt., 740; Exchange Building & Investment Co., v. Bayless, 91 Va., 134.

Subrogation being a creature of equity it is well settled that it will never be invoked unless the party so invoking has the higher equity. National Bank of Staunton v. U. S. F. & G., Co., (Va., 11/14/29), 150 S. E. 403, 405.

Can it be said that the equity of Berry in this case in which he acted to protect interests arising out of a transaction in which he had voluntarily placed himself with the sole and single object of the financial renumeration that would accrue to him from the venture, is higher than that of Turner who was acting to protect the balance of the purchase price due him from the sale of the property in question? Your Commissioner is of the opinion that this question should be answered in the negative.

Concluding the discussion of the question of subrogation, and the rights of Berry in the instant case as opposed to the rights of Turner, it would probably be well to quote the admirable statement of Chief Justice Prentis on the law of subrogation in the case of Morgan v. Collehon, (Va., 9/19/29) 149 S. E. 485:

"The subject (subrogation) is carefully treated in 5 Pomeroy's Equity Jurisprudence (2nd., Ed)., page 5183, Sec. 2343, et seq. He divides subrogation into three classes: First, those who act in the performance of a legal duty arising either by express agreement or by operation of law, and the most conspicious example of this class is the ordinary surety, who, in the discharge of his legal duty, pays his principal's debt. In the second class are those who are not legally bound to pay the debt, but who might suffer loss if the obligation is not discharged, and who act under the necessity of self-protection. This class includes owners of property, or equities, or persons interested in the property who pay off prior encumbrances. ''''''. The third class are those who are strangers to the obligation, who act neither under compulsion nor for self-protection, but at the request of some person liable for the debt. Usually a person making a payment under such circumstances is held to be subrogated to the rights of him who is paid."

Briefly summarized, Berry does not come within any of the three above mentioned classes, he was not a surety on the debt discharged and in no way bound for its payment, he had no interest in the property, either equitable or otherwise, and he had no agreement with anyone whereby he was to pay off the indebtedness and it was to be kept alive and on foot for his benefit. It must follow, therefore, as a matter of law, that Berry is not entitled under the facts and circumstances in this case to be subrogated to the rights of the bank as against Turner and he can be treated as nothing more than a volunteer.

And now regarding the question raised by counsel for Turner as to whether or not he, Turner, is entitled to an equitable lien under a certain deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, State of Virginia, at 11:30 A.M., on the 28th., day of June, 1927, in Deed Book 98, at page 467, in which said deed of trust it is provided, among other things, that the proceeds arising from the sale of the bonds thereby secured shall be applied in payment to Thomas R. Turner of the sum of five thousand dollars due on account of the purchase price of the real estate thereby conveyed, be declared to create an equitable lien in favor of Thomas R. Turner to the extent of five thousand dollars, even though no bonds have been issued under the said deed of trust.

The question raised in this connection is one purely for a court of equity and must be governed by those broad principles that mark and guide courts of equity in their fair and impartial administration of justice, but in all such cases the particular facts and circumstances are of first and primary importance, in consequence of which we are, at this point, brought to a brief discussion of such of those facts in the instant case which have to do with this particular phase of the case.

Shoal Bay, Incorporated, was organized as a corporation under the laws of this State with Berry as its President and Turner as its Secretary. These officers continue up to this time so far as the record discloses. Turner and his mother, the owners of the real estate mentioned, conveyed this said property to the corporation the consideration for which conveyance being approximately seventy six thousand dollars of which sixteen thousand dollars was represented by the assumption on the part of the grantee corporation of then existing liens on the property in that amount. An additional five thousand dollars was to be paid to Turner in cash as soon as the money was realized from the sale of bonds under the aforementioned deed of trust, and a balance of fifty five thousand dollars which was secured to Turner by a subsequent deed of trust, for that amount, executed by the said corporation, covering the above mentioned real estate. At the time all of these transactions took place Turner was not only the seller of the property but the Secretary of the grantee corporation and in both of these capacities he actively participated in all of the negotiations and consummations. It is inconceivable that he did not know, intimately, the nature of the transactions in all of their aspects. It is evident, therefore, that Turner elected to gamble on receiving five thousand dollars in cash within a very short time, and for this reason elected to take from the corporation a deed of trust securing to him a balance of fifty five thousand dollars rather than sixty thousand dollars. He had an ample opportunity to obtain at that time a legal lien for the full sum of sixty thousand rather than fifty five thousand dollars as he did receive. There is no evidence of coercion or fraud on the part of any of the other parties to the transaction and in the absence of fraud on coercion he would be precluded from coming into a court of equity and praying that it do for him that which he had ample opportunity to do but failed to avail himself of.

It is to be remembered that the deed of trust under which Turner now seeks an equitable lien specifically provided that the proceeds arising from the sale of the bonds thereby secured should be applied, first in satisfaction of the existing liens upon the property totalling sixteen thousand dollars, there being two in all,one of which was for fifteen thousand dollars to the Federal Land Bank of Baltimore, and another for one thousand dollars to the Merchants and Farmers Bank, Incorporated., Smithfield, Virginia; second, to pay to Thomas R. Turner five thousand dollars on account of the pruchase price of the real estate therein conveyed; and, third, for the betterment and improvement of the property of the corporation. None of the bonds were ever sold in consequence of which Turner did not receive the sum mentioned.

It has been suggested that had the corporation executed and delivered to Turner five thousand dollars worth of the bonds he would unquestionably have a legal lien. In view of the facts in this case, and the terms of the deed of trust, itself, this would have been impossible of performance on the part of the corporation as it possessed no such authority. The deed of trust securing the bonds specifically provided that the bonds should be sold for cash at not less than ninety, and, then proceeds to set out how the monies derived from a sale of the bonds should be applied. This being true any bonds sold or issued otherwise than in strict accordance with the terms of the instrument creating the trust would have been null and void in the hands of a holder with notice. Situated as he was Turner would have been charged with such notice as a matter of law.

It is the conclusion, therefore, of your Commissioner that the facts and circumstances in this case do not warrant the creation of an equitable lien to the extent of five thousand dollars in favor of Thomas R. Turner.

Respectfully submitted.

R E S Stephens.

Commissioner in Chancery

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Virginia: In the Circuit Court of the County of Isle of Wight.

Federal Land Bank of Baltimore, a corporation,

v). Chancery. No. 565.

Thomas R. Turner et als.

"Commissioner's Report A".

Filed Aug., 13th., 1930.

See also Commissioner's Report , and evidence of F. D. Berry filed under separate covers.

LAW OFFICES
JOHNSON AND STEPHENS
SMITHFIELD, VIRGINIA

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT

The Federal Land Bank of Baltimore

v) Chancery. No. 565

Thomas R. Turner, George F. Whitley, trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Jr. trustees; the Merchants & Farmers Bank, Incorporated, of Smithfield, Virginia, State Planters Bank & Trust Company, trustee, and F. D. Berry.

To Honorable B. D. White,

Judge of the Circuit Court of the County of Isle of Wight, State of Virginia:

The undersigned, one of the commissioners in Chancery, of your Honor's Court, respectfully reports as follows, to-wit:

That the papers in the above entitled cause have been referred to him for the execution of a certain decree entered therein on the 1st. day of April, 1930, which said decree requires the following inquiries to be made and reported to the Court:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as "Shoal Bay", containing five hundred and twenty five acres, which is fully described in a certain mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, and recorded in the Clerk's Office of the Circuit Court, of the County of Isle of Wight, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien, the date of the lien, the date recorded and where recorded; the amount of each lien; the balance, of any, owing; and, the date from which interest is payable thereon; and the respective priorities of said liens:

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner to George F. Whitley, trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and, whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book where it is recorded:

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, trustee, dated the 18th., day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, Virginia, in Deed Book 98, at page 467, have been authenicated by the said trustee, and, what bonds, if any so authenicated, have been disposed of; what bonds, if any, are in the hands of the trustee:

4. Whether or not all the necessary and proper parties are before the court, which said inquiries the said Commissioner shall make and report to the court together with any matter specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

In accordance with the directions of said decree your Commissioner issued his summons to all parties interested, stating that he would, at the offices of Johnson and Stephens, attorneys, in the Town of Smithfield, County of Isle of Wight, State of Virginia, beginning at ten o'clock, A.M., on the 27th., day of May, 1930, proceed to execute the said decree, all of which said summons, showing proper service, are herewith returned.

That at the time and place mentioned in said summons your Commissioner attended and adjourned the hearing over to the 6th. day of June, 1930, at the same place and hour, at which adjourned hearing your Commissioner was present and took the testimony of F. D. Berry, which said testimony was reduced to writing, and is returned, herewith. That Thomas R. Turner was also present but offered no testimony; that both F. D. Berry and Thomas R. Turner are represented by counsel, Mr. Henry C. Riely, of Richmond, for the former, and James H. Corbitt, of Suffolk, Virginia, for the latter, both of which said attorneys were present at the adjourned hearing and participated in the proceeding throughout.

1. Your commissioner feels that in consideration of the fact that the testimony in this case is somewhat lengthy, the exhibits numerous and voluminous, the questions of law many and difficult, and the briefs of counsel very exhaustive, that it would probably be wise to depart from the usual practice in matters of this kind and submit in a seperate statement a brief resume of the facts in this case, together with the conclusions reached by your Commissioner, on the legal questions involved and my reasons and authority for such conclusions. This separate statement, to be known and designated as "Commissioner's Report A", is specifically made a part of my said report which is known and designated as "Commissioner's Report".

That from the evidence taken, the exhibits filed, and the records in the Clerk's Office of the Circuit Court of the County of Isle of Wight, State of Virginia, your Commissioner has concluded and reports as follows, to-wit:

That the following is a list of the liens against the five hundred and twenty five acre tract of land involved in these proceedings, their priorities, being in the order given:

A. Taxes due the County of Isle of Wight, for the year 1928 amounting to three hundred, sixty two dollars and ninety seven cents, together with interest thereon from the 15th. day of June, 1929, until paid, and the Clerk's fees of fifty cents; and, taxes due the County of Isle of Wight, for the year 1929, amounting to three hundred, sixty two dollars and seventy two cents, together with interest thereon from the 15th. day of June, 1930, until paid; and, 1930 taxes, amounting to three hundred, nineteen dollars and sixty cents, to become due, and which will have to be pro-rated as of the date of sale of real estate; and,

B. The lien of a certain mortgage from Thomas Randolph Turner and Sallie A. Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded on the 15th. day of June, 1925, in the Clerk's Office of the Circuit Court of the County of Isle of Wight, State of Virginia, in Deed Book 96, page 151, securing the principal sum of fifteen thousand dollars, evidenced by a promissory negotiable note bearing interest at the rate of five and a half per centum per annum and payable in sixty eight semi-annual installments of four hundred,eighty seven dollars and fifty cents and a final installment of four hundred, eighty six dollars and eighteen cents, upon which there is a balance due of fourteen thousand, four hundred and twenty nine dollars and sixty six cents, with interest thereon from the 8th. day of December, 1928, until paid at the rate of five and one half per centum per annum, together with "a collection fee of five per cent and costs", and;

C. The lien of a certain deed of trust from Shoal Bay, Incorporated, to whiting C. Faulkner and Joseph M. Hurt, Jr., trustees, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, State of Virginia, at twelve o'clock noon, on the 28th. day of June, 1927, in Deed Book 98, at page 475, securing the principal sum of fifty five thousand dollars evidenced by six promissory negotiable notes, five for the sum of ten thousand dollars and one for the sum of five thousand dollars, dated the same as said deed, payable five years after date to Thomas R. Turner with interest thereon from date until paid at the rate of six per centum per annum, which said notes are now held by Thomas R. Turner, (the said Thomas R. Turner, having produced the six original notes before your Commissioner, showing no credits of any character) and upon which there is now due the principal sum of fifty five thousand dollars, together with interest thereon from the 18th. day of June, 1927, until paid at the rate of six per centum per annum.

2. By way of recapitulation, and for the purpose of clarity, the following, according to the findings of your Commissioner, is a list of the liens of record against the aforesaid tract of land, containing five hundred and twenty five acres, more or less, given in the order of their priorities and showing the principal sums, interest, and holders of the indebtedness, to-wit:

A. To the County of Isle of Wight, State of Virginia, 1928 taxes, three hundred sixty two dollars and ninety seven cents, with interest from June 15th., 1929, until paid, and costs, and to the said County, 1929 taxes, three hundred sixty two dollars and seventy two cents, with interest from June 15th., 1930; and, 1930 taxes, amounting to three hundred nineteen dollars and sixty cents, to become due and which will have to be pro-rated as of the date of sale of real estate; and,

B. To the Federal Land Bank of Baltimore, a corporation, the principal sum of fourteen thousand, four hundred twenty nine dollars and sixty six cents, with interest at five and one half per centum from the 8th. day of December, 1928, until paid, together with "a collection fee of five per cent and costs"; and,

C. To Thomas R. Turner, the principal sum of fifty five thousand dollars with interest thereon at the rate of six per centum per annum until paid, from the 18th., day of June, 1927.

Responsive to the second inquiry as to whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner to George F. Whitley, trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, at page 127, has been paid and satisfied, and, if so, by whom paid, and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book where it is recorded, your Commissioner begs leave to report that the debt secured by this deed of trust was paid on the 6th. day of April, 1929, by F. D. Berry, but, in the opinion of your Commissioner, under such circumstances as would not entitled the said F. D. Berry to be subrogated to the rights of the said Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, as against Thomas R. Turner, therefore, your Commissioner further reports that the lien created by this said deed of trust is terminated and it should be ordered marked satisfied and released upon the margin of the deed book where it is recorded.

The next inquiry is as to whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, State of Virginia, in Deed Book 98, at page 467, have been authenicated, by the said trustee, and what bonds, if any, so authenicated, have been disposed of. Regarding this query your Commissioner begs leave to further report that all of the bonds described in this said deed of trust have been delivered to your Commissioner by the said trustee, none of which said bonds have been either authenicated by the trustee or disposed of. All of which said bonds are returned with this report as one of the exhibits duly filed.

All of the necessary and proper parties are before the Court.

Your Commissioner has been informed by counsel for Thomas R. Turner that at the proper time he will ask leave of the Court to amend the prayer contained in his answer and cross bill filed in this cause so as to pray that so much of the provisions contained in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, trustee, hereinbefore specifically mentioned and described, providing that the proceeds from the sale of the bonds secured by the said deed of trust are to be used and applied by the corporation in payment to Thomas R, Turner of the sum of five thousand dollars on account of the purchase price of the property, known as Shoal Bay, be declared to constitute an equitable lien in favor of the said Thomas R. Turner to the extent of five thousand dollars, even though no bonds have been issued under and by virtue of said deed of trust. And your Commissioner has been requested to report specifically on this question.

Your Commissioner has given the question of whether or not the said Thomas R. Turner is entitled to an equitable lien a considerable amount of thought and study, but this appears to be somewhat of a question of novelty and first impression upon which no authorities are to be found. However, it is the opinion of your Commissioner, and he so reports, that in view of the facts and circumstances in this case Thomas R. Turner is not entitled to any such equitable lien, and he further recommends that the aforesaid deed of trust from Shoal Bay, Incorporated, to State Planters Bank and Trust Company, trustee, be ordered marked satisfied and released of record.

Your Commissioner further reports, specially, that the question of whether or not the guaranty by F. D. Berry of the fifty five thousand dollars in notes, held by Thomas R. Turner is a legal and absolute guarantee and binding upon the said F. D. Berry is not before him for his report, and, he, therefore, refrains from passing upon this specific question.

Exhibits filed as F. D. B.#6 and F. D. B. #7 are contained in a very voluminous file, which said file is herewith filed in its entirety.

Testimony of F. D. Berry has been reduced to writing and is returned with report known and designated as "Commissioner's Report A", together with the exhibits filed at the hearing, which said exhibits are designated as follows, all of which said exhibits and the aforesaid file are likewise filed with Report A, to-wit:

1. F.D.B.#1--An itemized statement of the advances made by F. D. Berry to Shoal Bay, Incorporated, and Thomas R. Turner.
2. F.D.B.#2--A copy of one of the notes securing, in the aggregate, to Thomas R. Turner the sum of fifty five thousand dollars, on the back of which appears the guarantee of F. D. Berry.

3. F.D.B.#3--The original note for one thousand dollars, payable to Merchants and Farmers Bank, Incorporated, and is secured by the deed of trust from Thomas R. Turner to George F. Whitley, trustee, showing the various endorsements thereon.
4. F.D.B.#4--A renewal of the said one thousand dollar note, dated Februyary 3, 1939, and showing an endorsement on its face.
5. F.D.B.#5--The original check given to the Merchants and Farmers Bank, Incorporated, by F. D. Berry, in satisfaction of the note filed as exhibit F.D.B.#3.
6. F.D.B.#6--The file of F. D. Berry purporting to contain the terms of the guaranty contract between F. D. Berry and Thomas R. Turner, with a letter dated April 7th., 1927, from F. D. Berry to Thomas R. Turner, Esq.
7. F.D.B.#7--A copy of a letter, dated April 8th., 1927, purporting to show the terms of the agreement between Shoal Bay, Incorporated and Thomas R. Turner, with reference to the latter's management of the property.
8. F.D.B.#8--The unauthenicated bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company.

Respectfully submitted.

R.E.Stephens

Commissioner in Chancery

Commissioner's fee; $

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Virginia: In the Circuit Court of the County of Isle of Wight.

Federal Land Bank of Baltimore, a corporation,

v). Chancery. No. 565.

Thomas R. Turner et als.

"Commissioner's Report."

Filed Aug., 13th., 1930.

See, also, Commissioner's Report A, and evidence of F. D. Berry filed under separate covers.

LAW OFFICES
JOHNSON AND STEPHENS
SMITHFIELD, VIRGINIA

VIRGINIA:

IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY, THE 10th DAY OF JANUARY, 1930.

ORDER OF PUBLICATION
In Chancery

The Federal Land Bank of Baltimore, a corporation,

v.

Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank & Trust Company, Trustee.

The object of the answer and cross bill filed by Thomas R. Turner, one of the defendants named in the above-styled suit, is to require that a certain deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated the 20th day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, conveying the property known as "Shoal Bay" in trust to secure the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, a debt for One Thousand Dollars ($1,000.00), be ordered to be marked satisfied and released, the said debt having been paid by F. D. Berry; and to require that a certain deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th day of June, 1927, recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, conveying the property known as "Shoal Bay" in trust to secure certain bonds in the aggregate sum of One Hundred and Fifty Thousand Dollars ($150,000.00), be declared null and void, and that the same be ordered to be marked satisfied and released on the records in the said Clerk's Office; and to require the said cause to be referred to one of the commissioners to ascertain the liens, and the respective priorities thereof affecting the property in Isle of Wight County, known as "Shoal Bay," before any order is entered by the commissioners of the Circuit Court of Isle of Wight County, Virginia, said Court directing the sale of the said land to discharge the liens thereon. And it appearing by affidavit filed according to law that F. D. Berry, one of the defendants named in the said answer and cross bill of Thomas R. Turner, is not a resident of this State, it is, therefore, ordered that the said F. D. Berry do appear within ten days after due publication of this order in the Clerk's Office of our said Circuit Court and do whatever is necessary to protect his interest. And it is further ordered that this order be published once a week for four successive weeks in the Smithfield Times, a newspaper printed in the County of Isle of Wight, Virginia, and the newspaper prescribed by our said Circuit Court. And it is further ordered that a copy of this order be posted at the front door of the Court House of Isle of Wight County on or before the next succeeding rule day and that another copy of this order be mailed to the defendant, F. D. Berry, to the postoffice address given in the affidavit.

R. A. EDWARDS,
Clerk.

James H. Corbitt, Counsel
for Thomas R. Turner.
1-16-4t.

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VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore,
a corporation,

v.

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust
Company, Trustee.

AFFIDAVIT.

I, R. D. Hunter, the Editor of The Smithfield Times, a newspaper printed in the Town of Smithfield, in the County of Isle of Wight, Virginia, do hereby certify that the order of publication attached hereto was duly published in the said newspaper for four successive weeks from and after the 16th day of January, 1930.

R. D. Hunter
Editor of The Smithfield Times.

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VIRGINIA :
IN THE CIRCUIT COURT OF
ISLE OF WIGHT COUNTY.

The Federal Land Bank of
Baltimore, a corporation,

v.

Thomas R. Turner, et als.

AFFIDAVIT

4/7/30

VIRGINIA:

IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY, THE 16th DAY OF JANUARY, 1930.

ORDER OF PUBLICATION

In Chancery

The Federal Land Bank of Baltimore, a corporation,

v.

Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank & Trust Company, Trustee.

The object of the answer and cross bill filed by Thomas R. Turner, one of the defendants named in the above-styled suit, is to require that a certain deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated the 20th day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, conveying the property known as "Shoal Bay" in trust to secure the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, a debt for One Thousand Dollars ($1,000.00), be ordered to be marked satisfied and released, the said debt having been paid by F. D. Berry; and to require that a certain deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th day of June, 1927, recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, conveying the property known as "Shoal Bay" in trust to secure certain bonds in the aggregate sum of One Hundred and Fifty Thousand Dollars ($150,000.00), be declared null and void, and that the same be ordered to be marked satisfied and released on the records in the said Clerk's Office; and to require the said cause to be referred to one of the to ascertain the liens, and the respective priorities thereof affecting the property in Isle of Wight County, known as "Shoal Bay," before any order is entered by the commissioners of the Circuit Court of Isle of Wight County, Virginia, said Court directing the sale of the said land to discharge the liens thereon. And it appearing by affidavit filed according to law that F. D. Berry, one of the defendants named in the said answer and cross bill of Thomas R. Turner, is not a resident of this State, it is, therefore, ordered that the said F. D. Berry do appear within ten days after due publication of this order in the Clerk's Office of our said Circuit Court and do whatever is necessary to protect his interest. And it is further ordered that this order be published once a week for four successive weeks in the Smithfield Times, a newspaper printed in the County of Isle of Wight, Virginia, and the newspaper prescribed by our said Circuit Court. And it is further ordered that a copy of this order be posted at the front door of the Court House of Isle of Wight County on or before the next succeeding rule day and that another copy of this order be mailed to the defendant, F. D. Berry, to the postoffice address given in the affidavit.

R. A. EDWARDS,
Clerk.

James H. Corbitt, Counsel
for Thomas R. Turner.
1-16-4t.

PUBLISHED THURSDAYS

ESTABLISHED 1920

The Smithfield Times

INCORPORATED

Only Newspaper Published in Isle of Wight County

Smithfield, Virginia

I, R. D. Hunter, publisher of the Shithfield Times, a newspaper published at Smithfield, Isle of Wight County, and of general circulation in said county, hereby certify that the advertisement, a copy of which is hereto attached, was published in said paper for four consecutive weeks, as follows: January 16, January 23, January 30 and February 6, 1930.

The Federal Land Bank
v.
Thomas R, Turner, et als.

R D Hunter

Smithfield, Va., Feb. 7, 1930

9½

Fed Land Bank of B.

vs Order

Thos. R. Turner et als

Printer's Certificate

of order of publication

filed 2/10/30

R. A. Earnest

Clk.

VIRGINIA:

IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY, THE 10th DAY OF JANUARY, 1930.

The Federal Land Bank of Baltimore, a corporation, v. Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee.	ORDER OF PUBLICATION.

The object of the answer and cross bill filed by Thomas R. Turner, one of the defendants named in the above-styled suit, is to require that a certain deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated the 20th day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, conveying the property known as "Shoal Bay" in trust to secure The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, a debt for One Thousand Dollars ($1,000.00), be ordered to be marked satisfied and released, the said debt having been paid by F. D. Berry; and to require that a certain deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th day of June, 1927, recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, conveying the property known as "Shoal Bay" in trust to secure certain bonds in the aggregate sum of One Hundred and Fifty Thousand

Dollars ($150,000.00), be declared null and void, and that the same be ordered to be marked satisfied and released on the records in the said Clerk's Office; and to require the said cause to be referred to one of the commissioners of the Circuit Court of Isle of Wight County, Virginia, to ascertain the liens, and the respective priorities thereof affecting the property in Isle of Wight County, known as "Shoal Bay", before any order is entered by the said Court directing the sale of the said land to discharge the liens thereon. And it appearing by affidavit filed according to law that F. D. Berry, one of the defendants named in the said answer and cross bill of Thomas R. Turner, is not a resident of this State, it is, therefore, ordered that the said F. D. Berry do appear within ten days after due publication of this order in the Clerk's Office of our said Circuit Court and do what is necessary to protect his interest. And it is further ordered that this order be published once a week for four successive weeks in The Smithfield Times, a newspaper printed in the County of Isle of Wight, Virginia, and the newspaper prescribed by our said Circuit Court. And it is further ordered that a copy of this order be posted at the front door of the Court House of Isle of Wight County on or before the next succeeding rule day and that another copy of this order be mailed to the defendant, F. D. Berry, to the postoffice address given in the affidavit.

R. W. Edwards
Clerk.

James H. Corbitt,
Counsel for
Thomas R. Turner.

VIRGINIA:

IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY, THE 10th DAY OF JANUARY, 1930.

The Federal Land Bank of Baltimore, a corporation, v. Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee.	ORDER OF PUBLICATION.

The object of the answer and cross bill filed by Thomas R. Turner, one of the defendants named in the above-styled suit, is to require that a certain deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated the 20th day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, conveying the property known as "Shoal Bay" in trust to secure The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, a debt for One Thousand Dollars ($1,000.00), be ordered to be marked satisfied and released, the said debt having been paid by F. D. Berry; and to require that a certain deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th day of June, 1927, recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, conveying the property known as "Shoal Bay" in trust to secure certain bonds in the aggregate sum of One Hundred and Fifty Thousand

Dollars ($150,000.00), be declared null and void, and that the same be ordered to be marked satisfied and released on the records in the said Clerk's Office; and to require the said cause to be referred to one of the commissioners of the Circuit Court of Isle of Wight County, Virginia, to ascertain the liens, and the respective priorities thereof affecting the property in Isle of Wight County, known as "Shoal Bay", before any order is entered by the said Court directing the sale of the said land to discharge the liens thereon. And it appearing by affidavit filed according to law that F. D. Berry, one of the defendants named in the said answer and cross bill of Thomas R. Turner, is not a resident of this State, it is, therefore, ordered that the said F. D. Berry do appear within ten days after due publication of this order in the Clerk's Office of our said Circuit Court and do what is necessary to protect his interest. And it is further ordered that this order be published once a week for four successive weeks in The Smithfield Times, a newspaper printed in the County of Isle of Wight, Virginia, and the newspaper prescribed by our said Circuit Court. And it is further ordered that a copy of this order be posted at the front door of the Court House of Isle of Wight County on or before the next succeeding rule day and that another copy of this order be mailed to the defendant, F. D. Berry, to the postoffice address given in the affidavit.

R. A. Edwards, D.
Clerk.

James H. Corbitt,
Counsel for
Thomas R. Turner.

VIRGINIA: IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT, JANUARY 10TH, 1930.

I, R. A. Edwards, Clerk' of the Circuit Court of the County aforesaid, do hereby certify that the foregoing order of publication was this day filed in my office, a copy posted at the front door of the Courthouse of this County, a copy mailed to the Smithfield Times, a newspaper having general circulation in said County, for publication as the law directs, and a copy mailed to F. D. Berry at his last known post-office address, as set forth in the affidavit.

R. A. Edwards Clerk.

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VIRGINIA: IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore, a corporation,

v.

Thomas R. Turner, et als.

ORDER OF PUBLICATION

1-10-30

VIRGINIA: IN THE CIRCUIT COURT O THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore,
a Corporation.

v) Chancery. No_______

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust Company, Trustee.

F. D. Berry:

Take notice:

That the undersigned, one of the Commissioners in Chancery of the Circuit Court of the County of Isle of Wight, State of Virginia, to whom has been referred the papers in the above entitler cause by decree entered therein on the 1st. day of April, 1930, for the execution thereof, has set upon Tuesday, the 27th. day of May, 1930, at 10 o'clock, A. M., at the offices of Johnson & Stephens, Attorneys at Law, In the Town of Smithfield, County of Isle of Wight, State of Virginia, to take, state and report upon the following matters required by the said decree:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner, to George F. Whitley, Trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book where it is recorded.

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated, by the said trustee, and what bonds, if any so authenticated, have been disposed of; what bonds, if any, are in the hands of the trustee.

4. Whether all the necessary and proper parties are before the Court; which inquiries the said Commissioner shall make and report to the Court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

R. E. Stephens.
Commissioner in Chancery

We hereby accept service of the within notice.

Dated this the 13th., day of May, 1930.

Merchants & Farmers Bank, Inc., of Smithfield, Virginia,

By, [signature]
Attorney.

[signature], Trustee,

The Federal Land Bank of Baltimore, a corporation,

By, [signature]
Attorney.

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore,
a Corporation.

v) Chancery. No. ____

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner, and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust Company, Trustee.

F. D. Berry.

Take Notice:

That the undersigned, one of the Commissioners in Chancery of the Circuit Court of the County of Isle of Wight, State of Virginia, to whom has been referred the papers in the above entitled cause by decree entered therein on the 1st. day of April, 1930, for the execution thereof, has set upon Tuesday, the 27th. day of May, 1930, at 10 o'clock, A. M., at the offices of Johnson & Stephens, Attorneys at Law, in the Town of Smithfield, County of Isle of Wight, State of Virginia, to take, state and report upon the following matters required by the said decree:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing, and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner, to George F. Whitley, trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book whereit is recorded.

3. "Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated, by the said trustee, and what bonds, if any so authenticated, have been disposed of.

4. Whether all the necessary and proper parties are before the Court; which inquiries the said commissioner shall make and report to the Court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated."

R.E.L. Stephens.
Commissioner in Chancery

Legal service of the foregoing notice is hereby accepted this 17th day of May, 1930.

STATE-PLANTERS BANK AND TRUST COMPANY

By J. W. Stawart
Counsel.

VIRGINIA: IN THE CIRCUIT COURT O THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore,
a Corporation.

v) Chancery. No______

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust Company, Trustee.)
F. D. Berry:

Take notice:

That the undersigned, one of the Commissioners in Chancery of the Circuit Court of the County of Isle of Wight, State of Virginia, to whom has been referred the papers in the above entitler cause by decree entered therein on the 1st. day of April, 1930, for the execution thereof, has set upon Tuesday, the 27th. day of May, 1930, at 10 o'clock, A. M., at the offices of Johnson & Stephens, Attorneys at Law, In the Town of Smithfield, County of Isle of Wight, State of Virginia, to take, state and report upon the following matters required by the said decree:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner, to George F. Whitley, Trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book where it is recorded.

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated, by the said trustee, and what bonds, if any so authenticated, have been disposed of; what bonds, if any, are in the hands of the trustee.

4. Whether all the necessary and proper parties are before the Court; which inquiries the said Commissioner shall make and report to the Court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

R E Stephens
Commissioner in Chancery

Legal service of the above notice is acknowledged, on behalf of F. D. Berry, this May 19, 1930.

McGuire, Riely & Eggleston
By Henry C. Riely
915 Mutual Building,
Richmond, Va., as
Attorneys for F. D. Berry

VIRGINIA: IN THE CIRCUIT COURT O THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore,
a Corporation.

v)   Chancery, No________

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust Company, Trustee.

F. D. Berry'.

Take notice:

That the undersigned, one of the Commissioners in Chancery of the Circuit Court of the County of Isle of Wight, State of Virginia, to whom has been referred the papers in the above entitler cause by decree entered therein on the 1st. day of April, 1930, for the execution thereof, has set upon Tuesday, the 27th. day of May, 1930, at 10 o'clock, A. M., at the offices of Johnson & Stephens, Attorneys at Law, In the Town of Smithfield, County of Isle of Wight, State of Virginia, to take, state and report upon the following matters required by the said decree:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner, to George F. Whitley, Trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book where it is recorded.

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated, by the said trustee, and what bonds, if any so authenticated, have been disposed of; what bonds, if any, are in the hands of the trustee.

4. Whether all the necessary and proper parties are before the Court; which inquiries the said Commissioner shall make and report to the Court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

B. E. Stephens.
Commissioner in Chancery

Sufficient and legal service of the above notice is acknowledged.

Thomas R. Turner
By Jas. H. Corlitt, his Atty.

VIRGINIA: IN THE CIRCUIT COURT O THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore,
a Corporation.

v) Chancery, No______

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust Company, Trustee.

F.D. Berry:

Take notice:

That the undersigned, one of the Commissioners in Chancery of the Circuit Court of the County of Isle of Wight, State of Virginia, to whom has been referred the papers in the above entitler cause by decree entered therein on the 1st. day of April, 1930, for the execution thereof, has set upon Tuesday, the 27th. day of May, 1930, at 10 o'clock, A. M., at the offices of Johnson & Stephens, Attorneys at Law, In the Town of Smithfield, County of Isle of Wight, State of Virginia, to take, state and report upon the following matters required by the said decree:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner, to George F. Whitley, Trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book where it is recorded.

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated, by the said trustee, and what bonds, if any so authenticated, have been disposed of; what bonds, if any, are in the hands of the trustee.

4. Whether all the necessary and proper parties are before the Court; which inquiries the said Commissioner shall make and report to the Court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

R. E. Stephens.
Commissioner in Chancery

~~Executed the within summons this the 15th~~
~~day of May 1930 by serving a true copy~~
~~of same on Thomas R. Turner in person~~
~~Within the County of Isle of Wight.~~

~~W. C. Whitehead Sheriff~~

Executed the within summons this the 15th day of May
1930 by serving a true copy of the same on Thos. R. Turner
Secy. Shoal Bay Inc. in person in the County of Isle of Wight.

W. C. Whitehead Sheriff

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore,
a Corporation.

-v) Chancery. No. ______

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner, and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust Company, Trustee.

F. D. Berry.

Take Notice:

That the undersigned, one of the Commissioners in Chancery of the Circuit Court of the County of Isle of Wight, State of Virginia, to whom has been referred the papers in the above entitled cause by decree entered therein on the 1st. day of April, 1930, for the execution thereof, has set upon Tuesday, the 27th. day of May, 1930, at 10 o'clock, A. M., at the offices of Johnson & Stephens, Attorneys at Law, in the Town of Smithfield, County of Isle of Wight, State of Virginia, to take, state and report upon the following matters required by the said decree:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing, and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner, to George F. Whitley, trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book whereit is recorded.

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated, by the said trustee, and what bonds, if any so authenticated, have been disposed of.

4. Whether all the necessary and proper parties are before the Court; which inquiries the said commissioner shall make and report to the Court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

Commissioner in Chancery

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT.

The Federal Land Bank of Baltimore, a Corporation.)

v) Chancery. No. ____)

Thomas R. Turner,
George F. Whitley, Trustee,
Shoal Bay, Incorporated,
Whiting C. Faulkner, and
Joseph M. Hurt, Junior, Trustees,
The Merchants and Farmers Bank,
Incorporated, of Smithfield, Virginia, and
State Planters Bank and Trust Company, Trustee.)
F.D. Berry.

Take Notice:

That the undersigned, one of the Commissioners in Chancery of the Circuit Court of the County of Isle of Wight, State of Virginia, to whom has been referred the papers in the above entitled cause by decree entered therein on the 1st. day of April, 1930, for the execution thereof, has set upon Tuesday, the 27th. day of May, 1930, at 10 o'clock, A. M., at the offices of Johnson & Stephens, Attorneys at Law, in the Town of Smithfield, County of Isle of Wight, State of Virginia, to take, state and report upon the following matters required by the said decree:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to the Federal Land Bank of Baltimore, a corporation, dated the 8th. day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of the County of Isle of Wight, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing, and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner, to George F. Whitley, trustee, dated the 20th. day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book whereit is recorded.

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th. day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated, by the said trustee, and what bonds, if any so authenticated, have been disposed of.

4. Whether all the necessary and proper parties are before the Court; which inquiries the said commissioner shall make and report to the Court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

R. E. S. Stephens
Commissioner in Chancery

Service of the foregoing notice is hereby accepted, this 23rd day of May, 1930.

Joseph M. Hurt, Jr.,
Trustee.

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore, a corporation, v. Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee.	)

This cause came on this day to be heard on the bill of The Federal Land Bank of Baltimore, a corporation, taken for confessed as to the defendants, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee, on whom process to answer said bill has been duly served, they still failing to appear and plead, answer or demur to the said bill, and on the answer and cross-bill of the defendant, Thomas R. Turner, with general replication to said answer; on the said cross-bill of Thomas R. Turner taken for confessed as to the defendants, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee, on whom process to answer said cross-bill has been duly served, they still failing to appear and plead, answer or demur to the said cross-bill, and on the answer of The Federal Land Bank of Baltimore, a corporation, to the said cross-bill, with general replication to said answer; and F. D. Berry, a defendant to the said cross-bill, being a non-resident and having been duly summoned by notice published and posted as provided by statute for non-resident defendants, still failing to appear and plead, answer or demur to the said cross-bill, the cause is set for hearing as to him, and was argued by counsel.

On consideration whereof, the court doth adjudge, order and decree that this cause be referred to A. E. S. Stephens one of the commissioners in chancery of this court to inquire into and report to the court the following:

1. The unsatisfied liens, including taxes, of record against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing 525 acres, more or less, which is fully described in a certain deed or mortgage from Thomas Randolph Turner to The Federal Land Bank of Baltimore, a corporation, dated the 8th day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, the said report to show with certainty the name of each lienor; the character of the lien; the date of the lien, the date recorded and where recorded; the amount of each lien, the balance, if any, owing, and the date from which interest is payable thereon; and the respective priorities of said liens;

2. Whether or not the debt payable to The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and secured by the deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated the 20th day of November, 1926, and recorded in the Clerk's Office of the Circuit Court of

of Isle of Wight County, Virginia, in Deed Book 98, page 127, has been paid and satisfied, and, if so, by whom paid; and whether or not, if paid, the lien of the said deed of trust is terminated by such payment and the said deed of trust should be ordered marked satisfied and released upon the margin of the deed book where it is recorded.

3. Whether or not any of the bonds described in the deed of trust from Shoal Bay, Incorporated, to the State Planters Bank and Trust Company, Trustee, dated the 18th day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been authenticated by the said trustee, and what bonds, if any so authenticated, have been disposed of; what bonds, if any, are in the hands of the trustee, ~~and, if there be bonds in the hands of the trustee~~, whether or not they should be ordered surrendered to the court and cancelled; and whether or not the said deed of trust should be declared null and void and ordered to be marked satisfied and released upon the margin of the deed book where it is recorded;

4. Whether all the necessary and proper parties are before the Court.

which inquiries the said commissioner shall make and report to the court, together with any matters specially stated deemed pertinent by himself or required by any of the parties to be specially stated.

VIRGINIA: 9½ a

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore, a corporation,

v.

Thomas R. Turner, et als.

DECREE

1930
Apr. 1.
Enter this
B.D.W.

We have seen this decree:

Geo. F. Whitley
Attorney for The Federal Land Bank of Baltimore.

James H. Corbitt
Attorney for Thomas R. Turner.

8-544

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore, a corporation, v. Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Junior, Trustees, The Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, and State Planters Bank and Trust Company, Trustee.	)	ORDER

F. D. Berry.

On motion of the defendant, Thomas R. Turner, leave is this day given him to file his answer and cross bill, and the same is accordingly filed. and the Clerk of the Court is directed to issue process returnable to next rules

To be entered.

4

VIRGINIA:
IN THE CIRCUIT COURT
OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of
Baltimore, a corporation,

v. #565

Thomas R. Turner, et als.

ORDER

1924
Nov [illegible]
Entered [illegible]

8-532

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF BALTIMORE)
)
v.)
)
THOMAS R. TURNER, ET ALS.)

The undersigned, James H. Corbitt and George F. Whitley, Special Commissioners in the aforesaid cause, beg leave to report that, pursuant to the decree entered therein on July 22, 1932, Thomas R. Turner has paid the purchase price of Thirty Thousand Dollars ($30,000.00), for the property in the bill in the proceedings mentioned, by the payment to us of Twenty Thousand, Eight Hundred, Forty-Six Dollars and Forty-Four Cents ($20,846.44) in cash and executing his receipt for Nine Thousand, One Hundred, Fifty-Three Dollars and Fifty-Six Cents ($9,153.56), which said sum has been credited also pro-rata on the six (6) promissory negotiable notes - five (5) for the sum of $10,000.00 each and one (1) for the sum of $5,000.00 - secured by the deed of trust from Shoal Bay, Incorporated, to Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees, dated the 18th day of June, 1927, and recorded on the 28th day of June, 1927, in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, at page 475, and that of said sum of $20,846.44 the said Special Commissioners, pursuant to the decrees entered in this cause on July 6, 1931, and July 22, 1932, have made payments as follows:

Cash received from Thomas R. Turner.................			$20,846.44
Amounts paid by Special Commissioners:			
Paid R. A. Edwards, Clerk, the following delinquent taxes:			
1928 Taxes	$362.97		
Int. from June 15, 1929,	68.60		
Clerk	.50	$432.07	
1929 Taxes	$362.97		
Int. from June 15, 1930,	46.82		
Clerk	.50	410.29	
1930 Taxes	$352.51		
Int. from June 15, 1931,	24.32		
Clerk	.50	377.33	
		$1219.69	
Paid E. R. Laine, County Treasurer:			
1931 Taxes	$300.80		
5% Dec. 6, 1931,	15.04		
	$315.84		
5% June 15, 1932,	15.79	$ 331.63	
Paid The Federal Land Bank of Baltimore:			
Principal of note	$14,429.66		
Int. from Dec. 8, 1928,	2,909.98		
		$17,339.64	
Paid expenses of sale:			
Smithfield Times (hand bills)	$ 4.00		
W. C. Whitehead, Auctioneer's fee......................	10.00		
R. A. Edwards, Agt., premium on Com. bond..............	60.00		
Drawing deed to purchaser..	10.00		
Revenue stamps on deed.....	30.00		
Commissioners' commissions	750.00	864.00	
Paid court costs: (Payable to Clerk)			
Writ tax..................	$ 1.50		
Clerk's fees..............	25.50		
Clerk's future costs......	3.50		
Taxed atty's fee..........	15.00		
Sheriff's & Sgt's. fees...	7.00		
A.E.S.Stephens, Com. Fee..	150.00		
Smithfield Times (Order of Publication)............	22.00	224.50	19,979.46
Balance reserved for 5% collection fee			$ 866.98

The above balance of $866.98 represents the five (5%) per cent collection fee claimed by The Federal Land Bank of Baltimore.

Your Commissioners further report that, pursuant to the decree entered in this cause on September 26, 1932, they have paid out the said $866.98 as follows:

To George F. Whitley, Attorney for The Federal Land Bank of Baltimore, in full settlement of counsel fees for plaintiff's counsel and in lieu of 5% collection fee..............................	$400.00
" James G. Martin, Special Commissioner.....	22.50
" J. M. Knight, Stenographer...............	7.50
" Thomas R. Turner and credited pro-rata on the six (6) promissory negotiable notes- five (5) for the sum of $10,000.00 each and one (1) for the sum of $5,000.00 - secured by the aforesaid deed of trust from Shoal Bay, Incorporated, to Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees,.................................	436.98
	$866.98

Your Commissioners submit herewith receipts covering all of the aforesaid payments, including the original $15,000.00 amortization first mortgage note dated the 8th day of June, 1925, executed by Thomas Randolph Turner, payable to The Federal Land Bank of Baltimore, secured by mortgage of the same date, which said note is marked paid; and, nothing further remaining to be done, we recommend that a decree be entered removing the cause from the docket.

Respectfully,

James H. Corbitt

Geo. F. Whitley.

Special Commissioners.

VIRGINIA:
IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF BALTIMORE,

V.

THOMAS R. TURNER, ET ALS.

REPORT OF
JAMES H. CORBITT AND GEORGE F. WHITLEY, SPECIAL COMMISSIONERS.

LAW OFFICES OF
JAMES H. CORBITT
SUFFOLK, VIRGINIA

THE FIDELITY AND DEPOSIT COMPANY OF MARYLAND

WRITES BONDS OF ALL KINDS

R. A. EDWARDS, Agent -:- ISLE OF WIGHT, VA.

# BOND NUMBER	DATE DUE	PREMIUM DUE
3770359	July 21-1931	$60.00

Annual Premium Notiec

Principle

Carkett & Whitley, S.C.
Fed Land Bk of B. & T. R. Turner et al.

Notice is hereby given that the annual premium, for the ensuing year, is due and payable on or before date covering this bond in the penalty $........ on your behalf as Special Com. as above

Prompt payment will be appreciated. Remember premiums continue to accumulate until bond is ordered canceled.

Received Payment 8-9-32 R. A. Edwards AGENT
Paid.

ISLE OF WIGHT, VA., August 9th 1932

M Jas. H. Corbitt and Geo. T. Whitley, Spec. Comrs.

Re: Fed. Ld. Bk. of Balt. vs Thos. R. Turner, Dalas

To R. A. EDWARDS, Dr.

CLERK OF THE CIRCUIT COURT OF ISLE WIGHT COUNTY

COMMISSIONER IN CHANCERY

PROMPT SETTLEMENT OF ACCOUNTS RENDERED INSURES PROMPT ATTENTION TO FUTURE WORK

To writ Tax	$1	50	
" clerk's cost to completion	29	00	
" taxed attorney's fee	15	00	
" sheriff and sergeant's fees	7	00	
" A. E. S. Stephens, Comr. in Chy.	150	00	
" Smithfield Times - Order of Publication	22	00	
			$224.50

PAYMENT

8-9-32

R. A. EDWARDS, Clerk

per E. M. Everette D.C.

"Thanks"

Application No. 98 Association No. V-84

VIRGINIA

$15,000.00 AMORTIZATION FIRST MORTGAGE NOTE No. 30502

Dated at .... the EIGHTH day of JUNE 1925

For Value Received, WE promise to pay to the order of THE FEDERAL LAND BANK OF BALTIMORE at its office in the CITY OF BALTIMORE, IN THE STATE OF MARYLAND, the principal sum of FIFTEEN THOUSAND Dollars, lawful money of the United States of America, with interest on the whole of said principal sum from time to time remaining unpaid, from date hereof until paid, at the rate of FIVE AND ONE-HALF per centum per annum, payable semi-annually, both principal and interest being payable on an amortization plan and in accordance with amortization tables provided by the FEDERAL FARM LOAN BOARD, in manner and form as follows: in SIXTY-EIGHT semi-annual payments of FOUR HUNDRED EIGHTY-SEVEN Dollars and FIFTY Cents each, beginning on the EIGHTH day of DECEMBER 1925, and payable on the EIGHTH day of DECEMBER and JUNE in each and every year, and a final payment of FOUR HUNDRED EIGHTY-SIX Dollars and EIGHTEEN Cents payable on the EIGHTH day of DECEMBER 1959, unless this note be sooner matured as herein provided.

At any payment period after five years from date hereof, any maker of this note, shall have the privilege of paying on the principal hereof sums of Twenty-five ($25.00) Dollars, or any multiple thereof, or the entire amount then due. Such additional payments, if any, shall not reduce thereafter the periodical payments herein contracted to be made, but shall operate to discharge this debt at an earlier date, by reducing the percentage applicable to interest and increasing the percentage applicable to principal.

All payments not made when due shall thereafter bear interest until paid at the highest rate allowable under the laws of this State not exceeding eight per centum per annum. If any default be made in any of such payments or in case of failure to comply with any of the requirements or covenants contained in the mortgage given by the makers to secure the payment of this note, then at the election of the holder of this note, without presentment or demand, the principal sum thereof, and all accrued interest thereon, shall at once become due and payable, including a collection fee of five per cent. and costs.

Each and every maker and endorser of this note does hereby expressly waive the benefit of all exemptions, homestead or otherwise, under the laws of this State, and agrees to pay same without any offset whatsoever.

This note is secured by a first mortgage conveying certain real estate in the County of ISLE OF WIGHT, State of Virginia.

Thomas Randolph Turner

6-6-25

Name Thomas Randolph Turner,

Postoffice Smithfield, Va. R-2.

GN

6-6-25

PRINCIPAL $15,000.00 RATE 5½% SEMI-ANNUAL INSTALLMENTS $487.5[illegible] FINAL INSTALLMENT $486.18

AMORTIZATION TABLE

Year Due	No.	Interest	Principal	Date Paid	Initial	Balance
1925	1	412.50	75.00	12-1	[illegible]	14925.00
1926	2	410.44	77.06	6-1	[illegible]	14847.94
1926	3	408.32	79.18	12-1	[illegible]	14768.76
1927	4	406.14	81.36	6-8	[illegible]	14687.40
1927	5	403.91	83.59	12-2	[illegible]	14603.81
1928	6	401.61	85.89	6-5	[illegible]	14517.92
1928	7	399.24	88.26	12-29	[illegible]	14429.66
1929	8	396.81	90.69			14338.97
19	9	394.33	93.17			14245.80
19	10	391.76	95.74			14150.06
19	11	388.82	98.68			14051.68
19	12	386.42	101.08			13950.60
19	13	383.64	103.86			13846.74
19	14	380.79	106.71			13740.03
19	15	377.95	109.55			13630.38
19	16	374.83	112.67			13517.71
19	17	371.73	115.77			13401.94
19	18	368.55	118.95			13282.99
19	19	365.28	122.22			13160.77
19	20	361.93	125.57			13035.20
19	21	358.47	129.03			12906.17
19	22	354.91	132.59			12773.58
19	23	351.28	136.22			12637.36
19	24	347.52	139.98			12497.38
19	25	343.68	143.82			12353.56
19	26	339.73	147.77			12205.79
19	27	335.65	151.85			12053.94
19	28	331.48	156.02			11897.92
19	29	327.19	160.31			11737.61
19	30	322.79	164.71			11572.90
19	31	318.26	169.24			11403.66
19	32	313.60	173.90			11229.76
19	33	308.82	178.68			11051.08
19	34	303.90	183.60			10867.48
19	35	298.86	188.64			10678.84
19	36	293.67	193.83			10485.01
19	37	288.33	199.17			10285.84
19	38	282.86	204.64			10081.20
19	39	277.23	210.27			9870.93
19	40	271.45	216.05			9654.88

RECEIVED, August 8, 1932, of James H. Corbitt and George Whitley, Special Commissioners in the chancery cause in the Circuit Court of the County of Isle of Wight, Virginia, entitled The Federal Land Bank of Baltimore vs. Thomas R. [illegible] et als, the sum of SEVENTEEN THOUSAND, THREE HUNDRED, THIRTY NINE and 64/100 Dollars ($17,339.64) in payment of the principal and interest of the within note as follows:

Balance due on principal $14,429.66
Interest from Dec. 8, 1928, 2909.98
$17,339.64

THE FEDERAL LAND BANK OF BALTIMORE
By [signature]

AMORTIZATION TABLE

Year Due	No.	Interest	Principal	Date Paid	Initial	Balance
19	41	265.52	221.98			9432.90
19	42	259.40	228.10			9204.80
19	43	253.13	234.37			8970.43
19	44	246.69	240.81			8729.62
19	45	240.07	247.43			8482.19
19	46	233.26	254.24			8227.95
19	47	226.27	261.23			7966.72
19	48	219.10	268.40			7698.32
19	49	211.70	275.80			7422.52
19	50	204.12	283.38			7139.14
19	51	196.33	291.17			6847.97
19	52	188.33	299.17			6548.80
19	53	180.09	307.41			6241.39
19	54	171.63	315.87			5925.52
19	55	162.95	324.55			5600.97
19	56	154.02	333.48			5267.49
19	57	144.86	342.64			4924.85
19	58	135.44	352.06			4572.79
19	59	125.74	361.76			4211.03
19	60	115.80	371.70			3839.33
19	61	105.59	381.91			3457.42
19	62	95.08	392.42			3065.00
19	63	84.29	403.21			2661.79
19	64	73.20	414.30			2247.49
19	65	61.80	425.70			1821.79
19	66	50.10	437.40			1384.39
19	67	38.07	449.43			934.96
19	68	25.71	461.79			473.17
19	69	13.01	473.17			

(Interest payments ruled out are not paid.)

6/16 1925

For value received we hereby guarantee the payment of the within note, according to the terms thereof, both as to principal and as to interest.

Isle of Wight Co. NATIONAL FARM LOAN ASSOCIATION.

By C. D. Howerton, Sec.-Treas.

By J. Walter Chapman, President.

Clerk's Office, Isle of Wight County, Virginia

DELINQUENT TAX RECEIPT

Received this 9th day of August 19 32, from James H. Corbitt and Geo. F. Whitley, Special Commissioners, the sum of Four Hundred Thirty-two and 07/100 Dollars ($ 432.07), the same being paid me in settlement of taxes assessed by the Commissioner of the Revenue and returned delinquent by the Treasurer of the County of Isle of Wight, Virginia, for the year of 19 28 on a tract of 748½ acres, ~~or lot,~~ in Hardy District, Isle of Wight County, Virginia, and standing in the name of Shoal Bay, Incorporated on the delinquent tax records of said County, for said year.

Given under my hand this 9th day of August 19 32.

State Tax	$
Interest from	$
County Tax	$ 362.97
Interest from	$ 68.60
Clerk's Fee	$ .50
Total	$ 432.07

R. A. Edwards

Clerk of the Circuit Court of Isle of Wight County, Virginia.

Paid out of Chancery Suit: In Re: Fed. Ld. Bk. of Balt. v. Thos. R. Turner et als.

Clerk's Office, Isle of Wight County, Virginia

DELINQUENT TAX RECEIPT

Received this 9th day of August 19 32, from James H. Corbitt and George F. Whitley, Special Commissioners, the sum of Four Hundred Ten & 29/100 Dollars ($410.29), the same being paid me in settlement of taxes assessed by the Commissioner of the Revenue and returned delinquent by the Treasurer of the County of Isle of Wight, Virginia, for the year of 19 29 on a tract of 748½ acres, or ~~lot~~, in Hardy District, Isle of Wight County, Virginia, and standing in the name of Shoal Bay, Incorporated on the delinquent tax records of said County, for said year.

Given under my hand this 9th day of August 19 32

State Tax	$
Interest from	$
County Tax	$ 362.97
Interest from	$ 46.82
Clerk's Fee	$ .50
Total	$ 410.29

R. G. Edwards

Clerk of the Circuit Court of Isle of Wight County, Virginia.

Paid out of Chancery Suit, in re: Fed. Ld. Bk. of Balt. v. Thos. R. Turner, et als,

Clerk's Office, Isle of Wight County, Virginia

DELINQUENT TAX RECEIPT

Received this 9th day of August 19 32 from James H. Corbitt and George F. Whitley, Special Commissioners, the sum of Three Hundred Seventy-seven and 33/100 Dollars ($ 377.33), the same being paid me in settlement of taxes assessed by the Commissioner of the Revenue and returned delinquent by the Treasurer of the County of Isle of Wight, Virginia, for the year of 19 30 on a tract of 748½ acres, ~~or lot~~, in Hardy District, Isle of Wight County, Virginia, and standing in the name of Shoal Bay Corporation on the delinquent tax records of said County, for said year.

Given under my hand this 9th day of August 19 32.

State Tax	$
Interest from	$
County Tax	$ 352.51
Interest from	$ 24.32
Clerk's Fee	$ .50
Total	$ 377.33

R. A. Edwards

Clerk of the Circuit Court of Isle of Wight County, Virginia.

Paid out of Chancery suit, In Re: Fed. Ld. Bk. of Balt. v. Thos. R. Turner, et als.

Shoal Bay Inc No. 1024

P. L.

COMMONWEALTH OF VIRGINIA
COUNTY OF ISLE OF WIGHT
HARDY DISTRICT

Paid by Geo. F. Whitley and James F. Pollitt. Commissioners 9/1/33 J.V. Treasurer
E. R. Laine

To E. R. LAINE, Treasurer, Isle of Wight, Virginia

TAXES 1931

FOR STATE TAXATION ONLY	VALUE	STATE RATE ON $100	STATE TAXES
State Capitation Tax			$
Bonds, Notes and Other Evidences of Debt	$	$ .50	
Money		.20	
Moneyed Capital in Competition with National Banks		1.00	
Capital Not Otherwise Taxed		.75	
Income: 1½% on first $3,000; 2½% on next $2,000; 3% on excess over $5,000			
Penalty			
TOTAL STATE TAXES			$

CREDITS

DATE	ACCOUNT	AMOUNT
		$
		$
		$
		$

PAID
AUG 9 - 1932
E. R. LAINE
COUNTY TREASURER
By

RECEIVED PAYMENT 19

E. R. LAINE, Treasurer

By

FOR LOCAL TAXATION ONLY See Reverse Side for Rates		VALUE	LOCAL LEVIES
Local Capitation		$	$
Tangible Personal Property			
Machinery and Tools			
Merchants Capital			
199	Real Estate At Shoal Bay 748½ Acres	9400	300.80

TOTAL LOCAL LEVIES	$
State Taxes Brought Forward	
TOTAL STATE AND LOCAL LEVIES	300.80
5% penalty to be added if not paid by December 5th	15.04
Total Taxes, Levies and Penalty	315.84
5% Additional Penalty June 16, 1932	15.79
Total Taxes, Levies and Penalties to June 16, 1932	331.63
6% Interest from June 16, 1932, to Date of Payment	
Total Taxes, Levies, Penalties and Interest	$

DISTRICT	County Levy	County School	County Roads	District Schools	District Roads	School Sinking Fund	Poor Fund	Total Levy
Hardy................	$ .75	$1.00	$ .35	$ .45	$ .35	$ .25	$ .05	$3.20
Newport............	.75	1.00	.35	.45	.35	.25	.05	3.20
Windsor............	.75	1 00	.35	.45	.35	.25	.05	3.20
Town of Smithfield	.75	1.00	....	....	....	.25	....	2.00
Town of Windsor.....	.75	1 00	....	.45	....	.25	.05	2.50

31.84
15.79
33.63

2)31.84
15.92
15.79

RECEIVED August 8th, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the cause of The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., Nine Thousand, One Hundred Fifty-Three and 56/100 ($9,153.56) Dollars, paid pursuant to the decree entered in the aforesaid cause in the Circuit Court of Isle of Wight County, Virginia, July 22nd, 1932, which said sum has been credited pro-rata on the six (6) promissory negotiable notes- five (5) for the sum of ~~One~~ Ten Thousand ($10,000.00) Dollars each, and one for the sum of Five Thousand ($5000.00) Dollars- secured by the deed of trust from Shoal Bay Incorporated to Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees, dated the 18th day of June, 1927, and recorded on the 28th day of June, 1927, in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, at page 475.

Thomas R. Turner

RECEIVED, August 8, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the chancery cause in the Circuit Court of Isle of Wight County, Virginia, entitled The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., the sum of SEVENTEEN THOUSAND, THREE HUNDRED, THIRTY-NINE AND 64/100 DOLLARS ($17,339.64), in payment of the principal and interest as follows:

Balance due on principal.............	$14,429.66
Interest from Dec. 8, 1928...........	2,909.98
Total	$17,339.64

due on the mortgage note of Thomas Randolph Turner to The Federal Land Bank of Baltimore, secured by mortgage from Thomas Randolph Turner and Sallie A. Turner to The Federal Land Bank of Baltimore dated the 8th day of June, 1925, and recorded on the 15th day of June, 1925, in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, the said payment being made pursuant to decrees entered in the aforesaid cause July 6, 1931, and July 22, 1932.

THE FEDERAL LAND BANK OF BALTIMORE

BY William Treasurer

RECEIVED, August 8, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the cause of The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., Four Dollars ($4.00), for printing handbills advertising the sale by the said Commissioners of the property known as "Shoal Bay" October 20, 1931.

SMITHFIELD TIMES,

By Jesse J. Scott

RECEIVED, August 8, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the cause of The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., TEN DOLLARS ($10.00) for services as auctioneer at the sale by the said Commissioners of the property known as "Shoal Bay" October 20, 1931.

H. C. Whitehurst
Auctioneer.

RECEIVED September 27, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the cause of The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., Four Hundred Dollars ($400.00), paid pursuant to the decree entered in the aforesaid cause in the Circuit Court of Isle of Wight County, Virginia, September 26, 1932, to me in full settlement of fees of counsel for plaintiff in the above cause, which payment is in lieu of and in satisfaction of the five (5%) per cent collection fee provided for in the mortgage given by Thomas R. Turner to The Federal Land Bank of Baltimore.

Geo. F. Whitley.
Counsel for Plaintiff.

RECEIVED ~~September 27~~ Oct. 4, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the cause of The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., Twenty-Two Dollars and Fifty Cents ($22.50), paid pursuant to the decree entered in the aforesaid cause in the Circuit Court of Isle of Wight County, Virginia, September 26, 1932, to me as Special Commissioner in the said matter.

Jas. G. Martin.

RECEIVED September 27, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the cause of The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., Seven Dollars and Fifty Cents ($7.50), paid pursuant to the decree entered in the aforesaid cause in the Circuit Court of Isle of Wight County, Virginia, September 26, 1932, to me for stenographic services to James G. Martin, Special Commissioner in the said matter.

J M Knight
10/4/32

RECEIVED September 27, 1932, of James H. Corbitt and George F. Whitley, Special Commissioners in the cause of The Federal Land Bank of Baltimore v. Thomas R. Turner, et als., Four Hundred, Thirty-Six Dollars and Ninety-Eight Cents ($436.98), paid pursuant to the decree entered in the aforesaid cause in the Circuit Court of Isle of Wight County, Virginia, September 26, 1932, which said sum has been credited pro-rata on the six (6) promissory negotiable notes - five (5) for the sum of Ten Thousand Dollars ($10,000.00) each, and one (1) for the sum of Five Thousand Dollars ($5,000.00) - secured by the deed of trust from Shoal Bay, Incorporated, to Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees, dated the 18th day of June, 1927, and recorded on the 28th day of June, 1927, in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, at page 475.

Thomas R. Turner

5 × 79.45 397.25
1 39.73
436.98

VIRGINIA: IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore

v. In Chancery No. 565

Thomas R. Turner, George F. Whitley,
Trustee, Shoal Bay, Incorporated,
Whiting C. Faulkner and Joseph M. Hurt,Jr.,
trustees, The Merchants & Farmers Bank,
Incorporated, of Smithfield, Virginia,
State Planters Bank & Trust Company, Trustee,
and F. D. Berry.

To the Honorable B. D. White, Judge of said Court:

The undersigned, Jas. G. Martin, Special Commissioner, appointed by decree in the above entitled cause entered the 19th day of August, 1932, and directed to inquire as to proper attorneys' fee for counsel for the plaintiff in the above entitled cause, respectfully reports:

That pursuant to said decree a hearing was arranged at the office of the undersigned in the City of Norfolk on the 19th day of September, 1932, at which place and time Messrs. Irving P. Whitehead, George F. Whitley, James H. Corbitt and Thomas R. Turner, were present and a stenographer was present, ready to take the evidence, and two other gentlemen were present, perhaps intended as witnesses, but before any evidence was taken, a conference was held among the attorneys and a compromise agreement reached, and the Commissioner informed that he need not proceed further with his inquiries, as it was agreed that the Commissioner could report as follows, to-wit:

That by agreement of counsel a fee of Four Hundred Dollars ($400.00) is to be allowed in full settlement of fees of counsel for plaintiff in this cause, and that the whole of this fee of Four Hundred Dollars ($400.00) is to be paid to George F. Whitley.

In preparation for the hearing your Commissioner had done some work on the papers in the case and a slight examination of the law, and had corresponded with counsel as to an appropriate date for the hearing.

Respectfully submitted,

Jas. G. Martin,
Special Commissioner

Commissioner's fee relative to this report	$22.50
Stenographer's fee for attendance	7.50

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

The Federal Land Bank of Baltimore

v. In Chancery No. 565

Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees, The Merchants & Farmers Bank, Incorporated, of Smithfield, Virginia, State Planters Bank & Trust Company Trustee and F. D. Berry.

REPORT OF SPECIAL COMMISSIONER.

Filed
9-19-38
R.A.E.

JAMES G. MARTIN
ATTORNEY AND COUNSELOR AT LAW
LAW BUILDING
NORFOLK, VIRGINIA
PHONE 22559

THE SMITHFIELD TIMES, INC.

Publishers of The Smithfield Times

HIGH CLASS COMMERCIAL AND JOB

PRINTING

Accounts are Due When Bills are Presented

SMITHFIELD, VIRGINIA 8-11-32

Messrs. Corbitt and Whitley,

Order of Publication--Federal Land Bank of Baltimore vs. Thos. R. Turner, et als. $22.00

Paid
By R. A. Edwards Clerk
8-11-32
J. J. Scott

c

VIRGINIA,

IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT:

The Federal Land Bank of Baltimore

vs.

Thomas R. Turner, et als.

TO THE HONORABLE JUDGE OF THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT:

The undersigned James H. Corbitt and Geo. F. Whitley, Special Commissioners, beg leave to make the following report:

That pursuant to a decree entered in this cause on the 6th day of July, 1931, the said Commissioners, after having advertised the time, place and terms of sale as provided for in said decree, did, on Tuesday, the 20th day of October, 1931, in front of the main dwelling house on the premises, offer for sale, at public auction, the land in the bill and proceedings mentioned; that at said sale the said property was struck off to Thomas R. Turner at the sum of Thirty Thousand Dollars ($30,000.00), his being the highest bid made therefor; that the said Thomas R. Turner desired to pay the entire puchase price in cash and requested that he be given time within which to make financial arrangements to do so; that the said Thomas R. Turner has advised said Commissioners that he is pr epared, and is now ready, to pay the amount of his said bid less such an amount as may be due him as the holder of the second lien on said property, and is requesting the said Commissioners to treat such amount as may be due him as holder of said second lien on said property, as part payment on the amount of his bid of Thirty Thousand Dollars ($30,000.00).

Your Commissioners would ask that they be authorized to execute a good and sufficient deed with special warranty conveying said property to the said Thomas R. Turner, upon receipt of the sum of Thirty Thousand Dollars ($30,000.00) less such an amount as may be due said Thomas R. Turner as the second lien holder as above mentioned, said amount so due to be treated as cash.

Your Commissioners would further ask that they be authorized to pay all accrued court costs to the dismissal of this suit, including such commissions as may be due your Commissioners, as well as all past due taxes, and to pay The Federal Land Bank of Baltimore the amount due under its mortgage as shown by the Commissioner in Chancerys' report heretofore filed in this cause, except the amount represented by the five per cent (5%) collection fee mentioned in the said mortgage and bond secured thereby held by the said Bank, which said amount of said five per cent (5%) collection fee the said Commissioners may be authorized to deposit to their credit to be held subject to the further order of the Court.

Respectfully submitted.

James H. Corbitt
Special Commissioner.

Geo. F. Whitley,
Special Commissioner.

c

The Federal Land
Bank of Baltimore
vs
Thomas R. Turner
et als

Special Commissioner's
Report

1932
July 22
Filed RDW.

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF BALTIMORE)
V.)
THOMAS R. TURNER, AND OTHERS.)

EXCEPTION FILED BY THOMAS R. TURNER TO THE REPORT OF COMMISSIONER A. E. S. STEPHENS, MADE IN THIS CAUSE AND FILED IN THE CLERK'S OFFICE OF THIS COURT ON AUGUST 13, 1930.

Thomas R. Turner, appearing by his counsel of record herein, James H. Corbitt, excepts to the finding and decision of said Commissioner in said report that Thomas R. Turner is not entitled to a lien to the extent of $5,000.00 under and by virtue of Article Three, Section 4, clause "Second", of the deed of trust from Shoal Bay, Incorporated, to State Planters Bank & Trust Company, Trustee, dated the 18th day of June, 1927, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, the said sum being part of the purchase price to be paid him for the conveyance by him to Shoal Bay, Incorporated, of the real estate described in said deed of trust, and to the said Commissioner recommending that the said deed of trust be ordered marked satisfied and released of record, and not recommending that the said deed of trust be ordered marked satisfied and released of record except as to the sum of $5,000.00 payable to Thomas R. Turner under Article Three, Section 4, clause "Second", of the said deed. The grounds of said exception are:

1. The said sum of $5,000.00 is a part of the

purchase price to be paid to the said Thomas R. Turner for the conveyance by Thomas R. Turner to the said corporation of the real estate described in the said deed of trust, which is expressly so stated in said deed of trust, and that this lien exists prior to any subsequent lien whether bonds secured by said deed of trust were sold or not.

2. The fact that no bonds secured by the said deed of trust were sold by Shoal Bay, Incorporated, and no money was derived therefrom with which to pay the said $5,000.00, cannot prejudice the right of Thomas R. Turner to a lien under the said deed of trust for the said $5,000.00 which sum, under the terms of the deed of trust, would have been payable to him out of the bonds, if sold, prior to any other use that could be made of said money other than to pay off prior liens which Shoal Bay, Incorporated, had already assumed to pay in the deed from Thomas R. Turner to it.

3. F. D. Berry, the guarantor of notes secured by a subsequent deed of trust, cannot complain, because the said deed of trust to State Planters Bank and Trust Company, trustee, being duly recorded, was notice to F. D. Berry of all liens created thereby, and for the same reason no holder of evidences of debts secured by any subsequent deed of trust can complain.

THOMAS R. TURNER,

By his Counsel.

James H. Corbitt

Counsel for Thomas R. Turner.

Suffolk, Virginia,

September 9, 1930.

c 15

VIRGINIA:
IN THE CIRCUIT COURT
OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF
BALTIMORE

V.

THOMAS R. TURNER AND OTHERS

EXCEPTION BY THOMAS R. TURNER
TO THE REPORT OF COMMISSIONER
A. E. S. STEPHENS.

Filed Sept. 10-1930.
R. a. Eanmd.
clk.

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT, AUGUST 19TH. 1932.

The Federal Land Bank of Baltimore.

v) In Chancery No.565.

Thomas R. Turner, George F. Whitley, Trustee, Shoal Bay, Incorporated, Whiting G. Faulkner and Joseph M.Hurt, Jr, trustees, The Merchants & Farmers Bank, Incorporated, of Smithfield, Virginia, State Planters Bank & Trust Company, Trustee, and F. D. Berry.

This cause came on this day to be further heard on the papers formerly read and on the question of what is a reasonable attorney's fee to be paid counsel for the complainant, and was argued by counsel.

On consideration whereof the Court doth adjudge, order and decree that this cause be referred to James G. Martin, who is hereby appointed a commissioner for the purpose, to ascertain the following:

1.What will be a reasonable attorney's fee for complainant's counsel in this cause.

2.What amount or amounts each counsel for complainant expected to be paid, have been paid and will be paid by the complainant as an attorney's fee in these proceedings.

And the said commissioner is directed to make the several inquiries hereinbefore directed, and make report thereof to the Court, together with any matters specially stated deemed pertinent by himself or which may be required by any of the parties to be so stated.

A Copy,

Teste,

________________________Clerk

Virginia: In the Circuit
Court of Isle of Wight Co.

The Federal Land
Bank of Baltimore

vs

Thomas R. Turner et als

Decree

a Copy

VIRGINIA: IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT, AUGUST 19TH. 1932.

The Federal Land Bank of Baltimore.

v) In Chancery No.565.

Thomas R. Turner, George F. Whitley,
Trustee, Shoal Bay, Incorporated,
Whiting C. Faulkner and Joseph M.Hurt,
Jr, trustees, The Merchants & Farmers Bank,
Incorporated, of Smithfield, Virginia,
State Planters Bank & Trust Company, Trustee,
and F. D. Berry.

This cause came on this day to be further heard on the papers formerly read and on the question of what is a reasonable attorney's fee to be paid counsel for the complainant, and was argued by counsel.

On consideration whereof the Court doth adjudge, order and decree that this cause be referred to James G. Martin, who is hereby appointed a commissioner for the purpose, to ascertain the following:

1.What will be a reasonable attorney's fee for complainant's counsel in this cause.

2.What amount or amounts each counsel for complainant expected to be paid, have been paid and will be paid by the complainant as an attorney's fee in these proceedings.

And the said commissioner is directed to make the several inquiries hereinbefore directed, and make report thereof to the Court, together with any matters specially stated deemed pertinent by himself or which may be required by any of the parties to be so stated.

A Copy,

Teste,

__________________________Clerk

Va. In the Circuit Court of Isle of Wight Co-

The Federal Land Bank of Baltimore

vs

Thomas R. Turner et al

Decree

HCR/ect
4C 8/21/30

V I R G I N I A:

IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT.

---oOo---

THE FEDERAL LAND BANK OF BALTIMORE

v.

THOMAS R. TURNER AND OTHERS.

---oOo---

EXCEPTION FILED BY F. D. BERRY TO THE REPORT OF COMMISSIONER A. E. S. STEPHENS, MADE IN THIS CAUSE AND FILED IN THE CLERK'S OFFICE OF THIS COURT ON AUGUST 13, 1930.

---oOo---

F. D. Berry, appearing by his counsel of record herein, McGuire, Riely, and Eggleston, excepts to the finding and decision of said Commissioner in said report that said Berry is not entitled to be subrogated to the lien on the property in suit created by the deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated November 20, 1926, and of record in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, at page 127, by which deed was secured to the Merchants and Farmers Bank of Smithfield, Virginia, the payment of a note for $1,000, as more fully shown in said deed. The grounds of said exception are:

1. Said Berry is a creditor, to a large amount, of Shoal Bay, Incorporated, now holding title to the tract of land on which said lien exists.

2. In seeking to take up said note and to secure an assignment or transfer thereof to himself, said Berry acted for the protection of his own interest as a subordinate or junior creditor of said land owner.

3. Said Berry had no intention of paying and discharging said note, as said Bank, the holder thereof, was fully informed; and he paid to said Bank the amount then due on said note and accepted it with the endorsement thereon of payment, as shown on its face, only after the persistent refusal of said Bank to accept the amount tendered and to deliver said note except with such endorsement made thereon. Said Berry had no choice in the matter of such method of acquisition of said note, but was compelled to submit to the arbitrary action of said Bank, in order to prevent the sacrifice by the Bank at public sale of the land, which was a part of the assets of his said debtor.

4. Said Berry took the action above shown only to prevent a sale at a sacrifice of said property under said deed of trust, which was then actually proceeding, and thus to protect his own interest as a creditor of the land owner.

5. Said Berry did not act as a volunteer, as held by said Commissioner, but strictly and only in the protection of his own pecuniary interest, as plainly shown by the facts before said Commissioner.

6. It is immaterial, as held by said Commissioner, that said Berry was not under contract, or otherwise required, to make advances to said Shoal Bay, Incorporated. He did in fact make such advances to a large amount and thereby became a creditor of said corporation and thus acquired an interest to protect.

7. Said Commissioner has misconstrued and misapplied to the facts before him the Virginia decisions and law in

general that are pertinent to this case, and particularly the case of Morgan v. Gollehon (Va., Sept. 9, 1929), 149 S. E. 485.

8. Said Commissioner has wholly erred as to the facts and the law applicable in his finding that said Berry is not entitled to subrogation under said lien.

9. Said Berry, in support of this exception, relies on the foregoing and all other grounds apparent from the facts of record and the law applicable thereto.

F. D. BERRY,

By his Counsel.

McGuire, Riely & Eggleston,

Counsel for Exceptant.

Richmond, Virginia,

August 21, 1930.

14

VIRGINIA: IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF BALTIMORE

v.

THOMAS R. TURNER AND OTHERS.

Exceptions on behalf of F. D. Berry to the report of Commissioner A. E. S. Stephens, filed herein on August 13, 1930.

Aug. 25-1930.
Filed. R. A. Edwards. Clk

McGUIRE, RIELY & EGGLESTON
ATTORNEYS & COUNSELORS AT LAW
RICHMOND, VIRGINIA

COMMONWEALTH ATTORNEY
FOR ISLE OF WIGHT COUNTY

GEORGE F. WHITLEY

Attorney at Law

SMITHFIELD, VIRGINIA

July 23, 1932.

Mr. R. A. Edwards,
Isle of Wight, Va.

Dear Gus:

I am herewith enclosing Special Commissioner's Report and Decree to be entered in the suit of The Federal Land Bank of Baltimore vs. Thomas R. Turner, et als., as of July 22, 1932.

Yours truly,

Geo. F. Whitley
B

GFW/b
Encls.

JAMES H. CORBITT
ATTORNEY AND COUNSELLOR AT LAW
SUFFOLK, VIRGINIA

July 7, 1931.

Mr. R. A. Edwards, Clerk,
Circuit Court of Isle of Wight County,
Isle of Wight C. H., Va.

Dear Mr. Edwards:

In re: The Federal Land Bank of Baltimore
v. Thomas R. Turner, et als.

I notice in the decree entered by Judge White in the above matter under "Third" the following error should be corrected before the decree is spread on the order book. In referring to the principal sum of $55,000.00 evidenced by six promissory negotiable notes, it is said: "five for the sum of $10,000.00 each and one for the sum of $1,000.00". This should read: "five for the sum of $10,000.00 each and one for the sum of $5,000.00". Please change the decree accordingly.

Very truly,

James H. Corbitt

JHC/K

cc- Hon. B. D. White

Mr. Geo. F. Whitley.

c

Department of F.D.
Perry + Com. Rept -
+ Com. Rept B. all
sent to Quaga
White 11/6/30
RaE

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it direct to the drawee or payor
k, at its discretion, and to receive
drawee, or other banks, and, ex-
shall not be liable for dishonor of
nt, nor for losses thereon.

SUBJECT TO PAYMENT

'S

$

ND DRAFTS ARE ENDORSED.

The right is reserved, and the Bank is au
items for collection or payment direct to th
bank, or through any other bank, at its discre
payment in drafts drawn by the drawee, or o
cept for negligence, this Bank shall not be li
the drafts so received in payment, nor for lo

CHECKS CREDITED SUBJECT TO

Currency	
Silver	
Gold	
CHECKS AS FOLLOWS	
TOTAL $	

SEE THAT ALL CHECKS AND DRAFTS A

JAMES H. CORBITT
ATTORNEY AND COUNSELLOR AT LAW
SUFFOLK, VIRGINIA

September 9, 1930.

Mr. R. A. Edwards, Clerk,
Circuit Court of Isle of Wight County,
Isle of Wight C. H., Va.

Dear Sir:

In re: The Federal Land Bank of Baltimore
v.
Thomas R. Turner and others.

I am handing you herewith exceptions to the report of Commissioner A. E. S. Stephens in the above matter, filed in your office on August 13, 1930, said exceptions being filed on behalf of Thomas R. Turner. Please file the same.

Very truly,

James H. Corbitt

JHC/K

cc- Mr. Henry C. Riely,
Richmond, Va.

Mr. Geo. F. Whitley,
Smithfield, Va.

LAW OFFICES
McGUIRE, RIELY & EGGLESTON
MUTUAL BUILDING

MURRAY M. McGUIRE
HENRY C. RIELY
JOHN S. EGGLESTON
JOHN H BOCOCK

AUBREY R. BOWLES, JR
PETER OTEY MILLER

RICHMOND, VA. August 21, 1930.

Clerk of the Circuit Court of
Isle of Wight County,
Isle of Wight, Virginia.

Dear Sir:

In re The Federal Land Bank of Baltimore v.
Thomas R. Turner and others.

We hand you herewith exceptions to the report of Commissioner A. E. S. Stephens in the above matter, filed in your office on August 13th, last, said exceptions being filed by us on behalf of F. D. Berry, intervening petitioner in the above proceeding. Please file the enclosed exceptions as required by statute.

Mr. Riely, who has this matter in charge, is out of the city on vacation, and we are writing Mr. Corbitt today, requesting that this matter be not taken up with the court prior to a reasonable time after Mr. Riely's return to the office on September 15th.

Very truly yours,

McGuire, Riely & Eggleston

ARBJr/ect
Enclosure.

Copies to:

Mr. James H. Corbitt, Suffolk, Va.
Mr. George F. Whitley, Smithfield, Va.

c

JAMES H. CORBITT
ATTORNEY AND COUNSELLOR AT LAW
SUFFOLK, VIRGINIA

March 18, 1930.

Mr. R. A. Edwards, Clerk,
Isle of Wight, Va.

Dear Mr. Edwards :

In re : Federal Land Bank of Baltimore
v.
Thomas R. Turner, George F. Whitley, Trustee, et als.

I am preparing to draw a decree of reference in the above matter and in bringing it on for hearing it is necessary for me to know whether any answers have been filed by the parties named as defendants. If you will forward the court papers to me I shall greatly appreciate your doing so, but if that is against your rules I should like for you to advise me whether any answers have been filed and the names of the parties filing them. This would save me a trip to Isle of Wight Court House.

Thanking you for your attention to the matter, I am,

Very truly,

James H. Corbitt

MA/A

c.c. to Mr. George F. Whitley,
Smithfield, Va.

C

PUBLISHED THURSDAYS

ESTABLISHED 1920

The Smithfield Times

INCORPORATED

Only Newspaper Published in Isle of Wight County

Smithfield, Virginia Feb. 7, 1930

Mr. R. A. Edwards,
Isle of Wight, Va.

Dear Mr. Edwards:

I am enclosing to you proof of publication of the Federal Land Bank v. Thos. R. Turner, et als. A Bill for $28.05 was mailed to Mr. Corbbitt, Suffolk, but proof is withheld and sent to you to be filed when the bill is paid.

I am also sending bill to W. W. Foreman, Norfolk, Va., for th three issues of the legal notive that he had. Do not suppose that proof is necessary as he will have to republish it again.

Very truly yours,

B. D. Hunter

Extract from Minutes of Meeting
of the Executive Committee of the Federal Land Bank of
Baltimore held on the 16th day of
August, 1 9 2 9.

****

"On motion duly passed, it was ordered that the whole mortgage debt of Thomas Randolph Turner, Smithfield R-2, Va. of the Isle of Wight County National Farm Loan Association of Virginia (now owned by Shoal Bay Inc., Smithfield, R-2, Va. Loan #20502 dated June 8, 1925 in the sum of $ 15,000.00 due to failure of the mortgagor and/or his assigns to make payment of same to wit:

Mortgage debt as of 12/8/28	$14,429.66
Interest @ 5½% from 12/8/28 to date	549.30
Taxes Paid for 1927	
Insurance O.K.	$14,978.96

Delinquent Installments:
due 6/8/29 $ 487.50
Add $2.21 per day for interest on mortgage debt for each day after

be declared due and payable and the Treasurer of this bank was directed to make demand upon said mortgagor and/or his assigns, and the association, the endorser and guarantor of said mortgage debt, for payment thereof in full.

And it was further ordered that unless the said association shall pay the whole mortgage debt aforesaid within FIVE days from the date hereof, then the legal department is instructed to institute suit for the foreclosure of the said mortgage and the collection of the debt aforesaid, together with the collection fees in such cases covenanted to be paid in the note secured by said mortgage. "

****

A copy Teste:

[signature]
Secretary

"EXHIBIT 3"

Form No. 52 500 5-11-25

VIRGINIA
AMORTIZATION MORTGAGE

H-6-6-25

This Mortgage made this EIGHTH day of JUNE in the year One Thousand Nine Hundred and TWENTY FIVE, by and between

THOMAS RANDOLPH TURNER, a bachelor;

of ISLE OF WIGHT County, in the State of Virginia, hereinafter referred to as party of the first part, and THE FEDERAL LAND BANK OF BALTIMORE, of Baltimore, Maryland, a body corporate, hereinafter mentioned as the Bank: party of the second part; and SALLIE A. TURNER, widow of William D. Turner, deceased, party of the third part;

WHEREAS, The said party of the first part is justly indebted to and unto the said THE FEDERAL LAND BANK OF BALTIMORE in the full and just principal sum of FIFTEEN THOUSAND Dollars ($15,000.00), current money, this day loaned the said party of the first part by said Bank, the receipt whereof is hereby duly acknowledged; and,

WHEREAS, The said party of the first part has executed and delivered unto the said Bank, a promissory note, dated on the EIGHTH day of JUNE, 1925, for said principal sum of FIFTEEN THOUSAND Dollars, with interest thereon at the rate of FIVE and ONE HALF per centum, per annum, payable to the order of said Bank in SIXTY EIGHT semi-annual payments of FOUR HUNDRED EIGHTY SEVEN Dollars and FIFTY Cents each and a final payment of FOUR HUNDRED EIGHTY SIX Dollars and EIGHTEEN Cents, said payments beginning six months from the date thereof; which said payments are on the amortization plan, to better secure the payment of which said principal sum and the interest thereon as above set forth, as and when each of said payments shall become due and legally demandable, these presents are executed:

NOW, THEREFORE, This Mortgage **Witnesseth:** That for and in consideration of the premises and the sum of One Dollar, the said party of the first part does hereby bargain and sell, grant and convey unto the said THE FEDERAL LAND BANK OF BALTIMORE, its successors and assigns, with general warranty of title, the following described property, to wit:—

THAT certain tract, piece or parcel of land situate, lying and being in Hardy Magisterial District, in the county of Isle of Wight, containing 525 acres and bounded and described as follows: By the lands of E. T. Remick, B. T. Epps, Alice G. Stott, Willie Cofer, the county road leading from Wrenn's Mill to Rushmere, the lands belonging to the estate of W. W. Gwaltney (formerly T. N. Jones,) et als.

BEING the same land that was devised to said Thomas Randolph Turner by will of William D. Turner, deceased, admitted to probate October 16, 1918, and recorded in the clerk's office of said county in will book 35, page 28.

FOR A further description of the land hereby conveyed, reference is made to the application of the mortgagors for this loan and to the abstract of title made by the bonded abstractor and correspondence which are the basis of this loan.

"EXHIBIT 2"

TOGETHER with all buildings and improvements thereon and all rights, roads, ways, waters, privileges, appurtenances and advantages thereto belonging or in any wise appertaining.

TO HAVE AND TO HOLD the aforesaid parcel of ground and premises to and unto the proper use and benefit of the said Bank, its successors and assigns forever.

AND IT IS HEREBY covenanted and agreed with said Bank that said party of the first part is lawfully seized of said premises; that said party of the first part has a good right to sell or convey the same, and that the same are free and clear of all encumbrances.

PROVIDED that if the said party of the first part, or the heirs, personal representatives or assigns of said party of the first part, shall well and truly pay or cause to be paid the aforesaid principal sum and all interest thereon accrued, in accordance with the provisions for payment herein set forth, as and when the same may be due and payable, and shall perform all the covenants herein to be performed, then this mortgage shall be void.

The said party of the first part in the application for this loan, has made certain representations to said Bank as to the purpose or purposes for which the money loaned on this mortgage was borrowed. Such representations are hereby specifically referred to and made part of this mortgage.

This mortgage is made to said Bank as a Federal Land Bank doing business under the "Federal Farm Loan Act," approved July 17th, 1916, and amendments thereof, and is hereby agreed to be in all respects subject to and governed by the terms and provisions of same.

The party of the first part shall pay simple interest on all defaulted or overdue semi-annual payments, at the highest rate allowed by this State, not to exceed eight per cent. per annum, accounting from the date of such default.

In the event that party of the first part shall fail to pay any taxes, liens, judgments, or assessments against said premises when due, or to maintain insurance as herein provided for, the Bank may make such payments, or maintain such insurance, and the amount paid therefor shall become subject to the lien of this mortgage and bear interest from date of payment at the highest rate allowed by this State, not exceeding eight per cent. per annum.

At any payment period after five years from date hereof, the party of the first part shall have the privilege of paying on the principal of the debt hereby secured, the sum of Twenty-five dollars, or any multiple thereof, or the entire amount then due. Such additional payments, if any, shall not reduce thereafter the periodical payments herein contracted to be made, but shall operate to discharge this debt at an earlier date, by reducing the percentage applicable to interest and increasing the percentage applicable to principal.

And it is agreed that, until default be made in the premises, the said party of the first part shall possess the aforesaid property upon paying in the meantime all taxes, liens, judgments and assessments, public debts and charges of every kind, levied, assessed, or to be levied or assessed on said hereby mortgaged property, which taxes, liens, judgments or assessments, public dues, charges, mortgage debt and interest, the said party of the first part individually, and on behalf of heirs, personal representatives and assigns, does hereby duly covenant to pay when legally demandable. But if any of the payments in the above described note as herein provided to be made, be not paid when due, or if the party of the first part shall permit any taxes, liens, judgments or assessments on said land to become delinquent, or fail to keep the buildings insured as herein provided, or apply the proceeds of this loan to substantially different purposes from those for which it was obtained, or shall by neglect permit any unreasonable depreciation in value of said premises or the buildings thereon, or do, or permit to be done, any act in respect to said lands which will reduce or impair the value of said lands as security for the loan hereby made, or make default in any of the conditions or covenants of this mortgage, then the whole debt hereby secured shall at the option of the Bank become due and demandable; and it shall be lawful for the said Bank, its successors or assigns at an time after such default to institute proceedings for a foreclosure of said mortgage and to have sale of the property hereby conveyed, for cash, to satisfy and pay the said debt, the interest accrued thereon, and all costs incurred in making such sale, and in addition thereto a collection fee of five per cent on the amount of the debt, which collection fee shall be due and payable immediately upon the institution of foreclosure proceedings as above provided; and if at any time after the execution, delivery and recordation of this mortgage, the Bank shall be impleaded or be made a party to any suit or legal proceeding of any kind whatsoever to subject the land hereby conveyed to the payment of liens or charges of any kind thereon, and in such proceedings it becomes necessary in the discretion of the Bank to retain and employ an attorney for the proper representation and protection of its interests, the said Bank shall be entitled to recover of the mortgagor the collection fee of five per cent hereinabove provided for, fixed and allowed in cases of foreclosure by the Bank, which said collection fee shall attach and become immediately due upon the institution of such proceedings and retention and employment of an attorney by the Bank, and in either case shall become a part of the debt and demand secured to be paid by this mortgage and be fully covered and protected by the lien hereby created.

It is further covenanted and agreed that if the said party of the first part has heretofore given, made or granted to any person or corporation any option, lease, right or privilege for any mineral, coal, oil or other sub-surface, or surface right or rights, or for any right or privilege other than for agricultural purposes, in any way affecting or appertaining to the lands conveyed by this indenture, or the property is in any way subject to any such option, lease, right or privilege, the rents, profits, royalties and revenues at any time arising from such option, lease, right or privilege during the continuance of this mortgage, and accruing to party of the first part, whether said option, lease, right or privilege be operated or exercised or not, at the time of the execution hereof, shall be paid over to said Bank and by it applied to the reduction of the principal of this mortgage, and this agreement shall serve as a full and sufficient assignment of said mortgagors' interest in said option, lease, right or privilege for the purpose aforesaid; provided that in all cases where said option, lease, right or privilege has not been exercised or operated before the making of this indenture, but is thereafter exercised or operated, thereupon the party of the second part shall, at its election, have the right to demand of the party of the first part, payment in full of the debt secured to be paid by this indenture; provided, that before any proceedings for foreclosure shall be commenced or had the party of the second part shall give 30 days' notice in writing to the party of the first part of such election and demand for payment of the said debt; and no such option, lease, right or privilege for any mineral, coal, oil or other sub-surface or surface right shall be made or granted upon, to or in connection with said lands herein described, subsequent to the execution of this indenture, without the consent of the said Bank having been first obtained in writing.

And the said party of the first part individually, and on behalf of personal representatives and assigns, does further covenant to insure, and pending the existence of this Mortgage, to keep insured in some good company satisfactory to the said Bank, its successors or assigns, the improvements on the hereby mortgaged property to the amount of at least FIFTY FIVE HUNDRED Dollars and to cause the policy to be affected thereon to be so framed or endorsed as in the case of fire to enure to the benefit of the said Bank, its successors or assigns, to the extent of their lien or claim hereunder, and to deliver said policy to the said Bank, its successors or assigns.

FOR the purposes of this mortgage said Sallie A. Turner, widow of William D. Turner, deceased, hereby conveys and releases unto said Bank all her right, title and interest in the above conveyed land.

And it is further agreed by the parties hereto and those claiming through, by or under them, that an assignment of this mortgage shall carry with it an assignment of the amortization note which it is given to secure.

When the debt herein secured has been fully paid and the obligations herein assumed fully complied with, then this indenture shall be released at the cost of the party of the first part.

WITNESS the hands and seals of the said Mortgagors.

TESTE:

[SEAL]
Thomas Randolph Turner [SEAL]
Sallie A. Turner [SEAL]
[SEAL]
[SEAL]
[SEAL]

STATE OF VIRGINIA,

County of ISLE OF WIGHT to wit: ~~in Circuit Court~~

I, Geo. F. Whitley, a Commissioner in Chancery for ~~a Notary Public~~ for the County aforesaid, in the State of Virginia, do certify that THOMAS RANDOLPH TURNER, a bachelor; and SALLIE A TURNER, widow of William D. Turner, deceased; whose names are signed to the foregoing mortgage bearing date on the EIGHTH day of JUNE, 1925, have acknowledged the same before me in my County aforesaid.

Given under my hand this 13th day of June 1925

Geo F. Whitley
Commissioner in Chancery ~~Notary~~ Public.

My Commission expires

20502 =95=

Exc. O. K.
Rcd. O. K.

JUN 1925

VIRGINIA
MORTGAGE

NO. 20502

FROM

THOMAS RANDOLPH TURNER

TO

THE FEDERAL LAND BANK OF BALTIMORE

Application No. 98 *Association No.* V-84

The ISLE OF WIGHT County

National Farm Loan Association of SMITHFIELD

Virginia.

The within mortgage is recorded in Deed Book No. 96 P. 151 and examined.

R. A. Edwards Clerk.

Tax, - - - $

Cost of Record, $ 4.50

☞ To the Clerk }

Please record this mortgage promptly and immediately thereafter mail same direct to
THE FEDERAL LAND BANK of Baltimore,
BALTIMORE, MD.

GN

VIRGINIA:

In the office of the Clerk of the Circuit Court for the County of Isle of Wight in the State aforesaid, the 13 day of June 1925.

The aforegoing mortgage was this day presented in said office, and together with the certificate of acknowledgment thereto annexed was duly admitted to record at 5 o'clock P. M., and indexed according to law.

TESTE:

R. A. Edwards Clerk

By E. R. Wills D. C.

Application No. 98 COPY Association No. V-84

VIRGINIA

$15,000.00 AMORTIZATION FIRST MORTGAGE NOTE No. 20502

Dated at .... the EIGHTH day of JUNE 1925

For Value Received, WE promise to pay to the order of THE FEDERAL LAND BANK OF BALTIMORE at its office in the CITY OF BALTIMORE, IN THE STATE OF MARYLAND, the principal sum of FIFTEEN THOUSAND Dollars, lawful money of the United States of America, with interest on the whole of said principal sum from time to time remaining unpaid, from date hereof until paid, at the rate of FIVE AND ONE-HALF per centum per annum, payable semi-annually, both principal and interest being payable on an amortization plan and in accordance with amortization tables provided by the FEDERAL FARM LOAN BOARD, in manner and form as follows: in SIXTY-EIGHT semi-annual payments of FOUR HUNDRED EIGHTY-SEVEN Dollars and FIFTY Cents each, beginning on the EIGHTH day of DECEMBER 1925, and payable on the EIGHT day of DECEMBER and JUNE in each and every year, and a final payment of FOUR HUNDRED EIGHTY-SIX Dollars and EIGHTEEN Cents payable on the EIGHT day of DECEMBER 1959, unless this note be sooner matured as herein provided.

At any payment period after five years from date hereof, any maker of this note, shall have the privilege of paying on the principal hereof sums of Twenty-five ($25.00) Dollars, or any multiple thereof, or the entire amount then due. Such additional payments, if any, shall not reduce thereafter the periodical payments herein contracted to be made, but shall operate to discharge this debt at an earlier date, by reducing the percentage applicable to interest and increasing the percentage applicable to principal.

All payments not made when due shall thereafter bear interest until paid at the highest rate allowable under the laws of this State not exceeding eight per centum per annum. /If any default be made in any of such payments or in case of failure to comply with any of the requirements or covenants contained in the mortgage given by the makers to secure the payment of this note, then at the election of the holder of this note, without presentment or demand, the principal sum thereof, and all accrued interest thereon, shall at once become due and payable, including a collection fee of five per cent. and costs./

Each and every maker and endorser of this note does hereby expressly waive the benefit of all exemptions, homestead or otherwise, under the laws of this State, and agrees to pay same without any offset whatsoever.

This note is secured by a first mortgage conveying certain real estate in the County of ISLE OF WIGHT State of Virginia.

(Signed) Thomas Randolph Turner

Name Thomas Randolph Turner,

Postoffice Smithfield, Va. R-2

GN

"EXHIBIT 1"

PRINCIPAL $15,000.00 RATE 5½% SEMI-ANNUAL INSTALLMENTS $487.50 FINAL INSTALLMENT $486.18

AMORTIZATION TABLE

Year Due	No.	Interest	Principal	Date Paid	Initial	Balance
1925	1	412.50	75.00	12-1	M	14925.00
1926	2	410.44	77.06	6-1	L	14847.94
1926	3	408.32	79.18	12-1	G	14768.76
1927	4	406.14	81.36	6-8	G	14687.40
1927	5	403.91	83.59	12-22	G	14603.81
1928	6	401.61	85.89	6-5	G	14517.92
1928	7	399.24	88.26	1-10-29	G	14429.66
1929	8	396.81	90.69			14338.97
19	9	394.33	93.17			14245.80
19	10	391.76	95.74			14150.06
19	11	389.12	98.38			14051.68
19	12	386.42	101.08			13950.60
19	13	383.64	103.86			13846.74
19	14	380.79	106.71			13740.03
19	15	377.85	109.65			13630.38
19	16	374.83	112.67			13517.71
19	17	371.73	115.77			13401.94
19	18	368.55	118.95			13282.99
19	19	365.28	122.22			13160.77
19	20	361.93	125.57			13035.20
19	21	358.47	129.03			12906.17
19	22	354.91	132.59			12773.58
19	23	351.28	136.22			12637.36
19	24	347.52	139.98			12497.38
19	25	343.63	143.82			12353.56
19	26	339.73	147.77			12205.79
19	27	335.65	151.85			12053.94
19	28	331.48	156.02			11897.92
19	29	327.19	160.31			11737.61
19	30	322.79	164.71			11572.90
19	31	318.26	169.24			11403.66
19	32	313.60	173.90			11229.76
19	33	308.82	178.68			11051.08
19	34	303.90	183.60			10867.48
19	35	298.86	188.64			10678.84
19	36	293.67	193.83			10485.01
19	37	288.33	199.17			10285.84
19	38	282.86	204.64			10081.20
19	39	277.23	210.27			9870.93
19	40	271.45	216.05			9654.88

AMORTIZATION TABLE

Year Due	No.	Interest	Principal	Date Paid	Initial	Balance
19	41	265.52	221.98			9432.90
19	42	259.40	228.10			9204.80
19	43	253.13	234.37			8970.43
19	44	246.69	240.81			8729.62
19	45	240.07	247.43			8482.19
19	46	233.26	254.24			8227.95
19	47	226.27	261.23			7966.72
19	48	219.10	268.40			7698.32
19	49	211.70	275.80			7422.52
19	50	204.12	283.38			7139.14
19	51	196.33	291.17			6847.97
19	52	188.33	299.17			6548.80
19	53	180.09	307.41			6241.39
19	54	171.63	315.87			5925.52
19	55	162.95	324.55			5600.97
19	56	154.02	333.48			5267.49
19	57	144.86	342.64			4924.85
19	58	135.44	352.06			4572.79
19	59	125.74	361.76			4211.03
19	60	115.80	371.70			3839.33
19	61	105.59	381.91			3457.42
19	62	95.08	392.42			3065.00
19	63	84.29	403.21			2661.79
19	64	73.20	414.30			2247.49
19	65	61.80	425.70			1821.79
19	66	50.10	437.40			1384.39
19	67	38.07	449.43			934.96
19	68	25.71	461.79			473.17
19	69	13.01	473.17			

(Interest payments ruled out are not paid.)

6/16/25, 19

For value received we hereby guarantee the payment of the within note, according to the terms thereof, both as to principal and as to interest.

Isle of Wight Co National Farm Loan Association.

By C. D. Haverty, Sec.-Treas.

By J. Walter Chapman, President.

Shoal Bay, Incorporated

To:

State Planters Bank and Trust Company, Trustee

Ex. A.

This Indenture, dated this 18th day of June, 1927, and made and entered into by and between Shoal Bay, Incorporated, a corporation duly organized and existing under the laws of the State of Virginia, (hereinafter for convenience called the Corporation) party of the first part, and State Planters Bank and Trust Company, a corporation duly organized and existing under the laws of the State of Virginia, (hereinafter for convenience called the Trustee) party of the second part:

Witnesseth: That whereas the stockholders and directors of the Corporation at meetings duly convened and held and by resolutions duly adopted thereat authorized the issue of the bonds hereinafter described, and the execution of this mortgage or deed of trust to secure the same; and

Whereas the said bonds are to be substantially in the following form, the blanks therein to be appropriately filled from time to time, to-wit:

NO____________ $______________

SHOAL BAY INCORPORATED.

6% Ten Year Gold Bonds.

Shoal Bay Incorporated, a Virginia Corporation, for value received, promises to pay on June 18, 1937, to the registered holder of this bond _________Dollars in gold coin of the United States of or equal to the present standard of weight and fineness, and to pay interest thereon from the 15th day of June, 1927, until payment of the principal of this bond, at the rate of 6% per annum, payable semi-annually on the first days of January and July of each year at the office of State-Planters Bank and

Trust Company, Richmond, Va. and in like gold coin.

This bond is one of a series of 215 principal bonds of like date, and aggregating the principal sum of $150,000, all secured equally and ratably by a mortgage or deed of trust, dated June 18, 1927, from Shoal Bay, Incorporated, to State-Planters Bank and Trust Company, of Richmond, Virginia, as Trustee, to which Deed of Trust reference is hereby made for a description of the nature and extent of the security, the rights of the holders of said bonds and the terms and conditions upon which said bonds are issued and secured.

This bond shall be registered at the office of said Trustee, in the City of Richmond, Virginia, such registration being noted hereon, and no transfer of this bond shall be valid unless made at such office by the registered owner in person or by duly authorized attorney.

This bond shall not become valid or obligatory for any purpose unless and until the certificate hereon shall have been duly signed by State-Planters Bank and Trust Company as Trustee under said deed of trust.

In witness whereof Shoal Bay, Incorporated, has caused its name to be hereunto signed by its President, and its corporate seal to be hereunto affixed and attested by its Secretary as of the 18th day of June, 1927.

Shoal Bay, Incorporated.

BY____________________
President.

Attest:

____
Secretary.

(Form of Trustee's Certificate)

This is to certify that this bond is one of the bonds described in the within mentioned mortgage or deed of trust.

STATE PLANTERS BANK & TRUST COMPANY

BY____________________
Assistant Secretary.

And whereas all acts and things necessary to make the said bonds, when signed and sealed by the Corporation and authenticated by the Trustee, valid and binding obligations of the Corporation and to make this instrument a valid and binding mortgage or deed of trust to secure the payment of said bonds, have been duly and fully done and performed, and the execution and issue of said bonds and the execution and delivery of this Indenture have in all respects been duly authorized and approved.

Now therefore this Indenture witnesseth: that Shoal Bay, Incorporated, party of the first part, for and in consideration of the premises and of the sum of $10.00 to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt of which is hereby acknowledged, and in order to secure the pay- of the principal and interest of all bonds at any time issued and outstanding under this Indenture, according to their tenor and effect, has granted, bargained, sold, conveyed and confirmed, and does by these presents, grant, bargain, sell, convey and confirm unto State Planters Bank and Trust Company, party of the second part, all and singular the following property, to-wit:

All of that certain tract or parcel of land situate, lying and being in the County of Isle of Wight, in the State of Virginia, bounded on the North by the lands of Epps and Remick, on the East by the James River, on the South by lands of Gwaltney, Turner and Cofer, and on the west by lands of Stott and Epps, as shown on a plat entitled "Map of Shoal Bay Farm, Isle of Wight County, Va., "prepared by W. W. Morrison, County Surveyor of Surry County, Va., dated December 31, 1926, which plat is annexed to and recorded along with a deed from Thomas R. Turner and Sallie A. Turner, his mother, to Shoal Bay, Incorporated, dated June 15, 1927, and to be recorded in the Clerk's Office of Isle of Wight County, contemporaneously with this deed, and being the same real estate conveyed to Shoal Bay, Incorporated, by said deed, said plat showing said parcel of land as containing 748½ acres.

To have and to, hold the said property hereby conveyed or intended to be conveyed unto the said Trustee, its successors and assigns, forever.

In trust nevertheless, for the equal and pro-rata benefit and security of all and every the holders or owners of bonds issued under and secured by this Indenture, without preference, priority or distinction as to any of said bonds over any others thereof, by reason of the priority in the time of the issue or negotiation thereof, and without priority or principal over interest or interest over principal.

It is hereby covenanted, declared and agreed by and between the parties hrerto, and the Corporation, for itself and its successors, for the benefit of the present or future holders of said bonds, or any of them, doth hereby covenant and agree as follows:

Article One.

Section 1. The bonds to be secured hereby shall be executed by the Corporation in substantially the form hereinbefore set forth, and the amount of bonds hereby secured which may be executed by the Corporation and which may be authenticated by the Trustee is limited, so that never at any one time shall there by outstanding bonds hereby secured for an aggregate principal sum exceeding $150,000.00.

The bonds shall be in the denomination of $1,000, $500 and $200, as follows:

100 of said bonds to be numbered from M-1 to M-100, inclusive, shall be for $1,000 each;

90 of said bonds to be numbered from D-1 to D-90, inclusive, shall be for $500 each;

25 of said bonds to be numbered from CC-1 to CC-25, inclusive, shall be for $200 each.

Section 2. Only such bonds as shall be authenticated by the State-Planters Bank and Trust Company as Trustee, substantially in the form hereinbefore recited, shall be entitled to any benefit or lien hereunder, and such certificate of the Trustee shall be conclusive and the only evidence that the bond so authenticated was duly issued hereunder and that its holder is entitled to the benefit of the trust hereby created.

Section 3. Upon receipt by the Corporation and the Trustee of evidence satisfactory to them of the loss, destruction, or mutilation of any of the outstanding bonds hereby secured, and of indemnity satisfactory to them, and upon surrender and cancellation of such bond if mutilated, the Corporation may execute, and the Trustee may authenticate and deliver, a new bond, of like tenor, bearing the same serial number, to be issued in lieu of such lost, destroyed or mutilated bond.

Section 4. After the execution, delivery and recordation of this Indenture, bonds hereunder not to exceed the principal amount of $150,000.00 shall be executed either at one time or from time to time by the Corporation and delivered to the Trustee for authentication; and thereupon the Trustee shall authenticate said bonds and deliver the same to the Corporation upon its written order signed by its President or its Secretary, under its Corporate seal. Said bonds may be so executed and authenticated either all at one time or else from time to time, as the Corporation may see fit. The Trustee shall be under no obligation to see to the use or disposition made of said bonds by the Corporation.

Article Two.

Registration of Bonds.

Section 1. The corporation will arrange for the Trustee to keep at the office of the Trustee in the City of Richmond, Va., books for the registration and transfer of bonds issued hereunder, which shall at all reasonable time be open for inspection by the Corporation, and the Trustee agrees to act as agent or bond registrar for the registration of said bonds.

Section 2. The holders of bonds issued hereunder shall have the ownership thereof registered on said books of the Trustee and such registration noted on the bond. After such registration no transfer shall be valid unless made on said books by the registered holder in person or by his attorney duly authorized, and similarly noted on the bond.

Section 3. The person in whose name a bond is so registered shall for all purposes of this Indenture be deemed and regarded as the owner thereof, and payment of or on account of the principal and interest of such bond shall be made only to such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid.

Article Three.

Particular Covenants of Corporation.

Section. 1. The corporation covenants and warrants that it is well seized of all the real estate above mentioned and described, and has full right, power and authority to grant, bargain, sell and convey the same in the manner and form aforesaid, and that the said is free from all liens and encumbrances except the following two deeds of trust, namely:

First: Deed of Trust from Thomas R. Turner and Sallie Turner, dated June 8, 1925, and recorded in the Clerk's Office of Isle of Wight County, Virginia, in Deed Book 96, page 151, securing to the Federal Land Bank of Baltimore the sum of $15,000, evidenced by a promissory note bearing date on the 8th day of June, 1925, for the sum of $15,000 with interest thereon at 5½% per annum, payable to the order of said Bank in sixty-eight semi-annual payments of $487.50 each, and a final payment of $486.18, said payments beginning six months from the date of said Deed of Trust, four of such payments having been made.

Second: Deed of Trust from Thomas R. Turner to Geo. F. Whitley, Trustee, dated November 20, 1926, and recorded in said Clerk's office in Deed Book 98, page 127, which secures to The Merchants and Farmers Bank, Inc. of Smithfield, Virginia, the payment of the sum of $1,000 as evidenced by a note of Thomas R. Turner, of even date with said Deed of Trust, the interest on which said note has been paid up to May 17, 1927.

The corporation promises and agrees that it will until the notes secured by said two deeds of trust are all fully paid, well and truly pay the principal sum of money secured by said two deeds of trust and interest thereon, according to the tenor and effect thereof, and in the event of default in the payment of either the interest or principal of said two deeds of trust, or either of them, then the indebtedness secured by this Indenture shall automatically become due and payable on account of such default in payment of said two deeds of trust.

Section 2. The corporation will duly and punctually pay, or cause to be paid, in gold coin of the United States of America, of or equal to the standard of weight and fineness now existing, the principal and interest of every bond issued and outstanding under this Indenture, on the dates, at the place, and in the manner specified in such bond.

Section 3. The corporation covenants and agrees that until allnof the principal of said bonds and the interest thereon shall have been fully paid, it will at all times keep the improvements on said real estate fully insured against loss or accident by fire in good and responsible insurance companies, and shall cause all such insurance to be made payable in case of loss to the Trustee herein, and shall deliver all such policies to the Trustee. In the event the Corporation shall fail so to insure or to keep said property insured, said Trustee or the bond holders may effect such insurance in the name of the Corporation, or in the name of the Trustee, and all money paid by the Trustee or the bond holders for such insurance, together with interest thereon, shall be re-paid by the

Corporation on demand, and if not so paid shall be a part of the lien secured by this Indenture, and shall be paid out of the proceeds of any sale of said property, if not otherwise paid out by the Corporation, Nothing herein contained shall be construed to require said Trustee or the bond holders to effect any insurance on said property or to make said Trustee or bond holders liable or responsible for the collection or adjustment of insurance in case of any loss.

In case of any destruction of the premises by fire the Trustee shall allow the insurance moneys received to be applied by the Corporation toward the replacement and repair of the property so destroyed or injured, if the Corporation so requests in writing, (provided that at the time the Corporation is not in default hereunder) and upon such request and in the absence of such default the Trustee shall pay said money over to the Corporation for said purpose upon receipt of a statement signed and sworn to by the President of the Corporation, accompanied by receipted vouchers showing that said property has been so replaced and repaired by property of a similar nature, equal in value to the amount of money so to be paid over to the Corporation.

Section 4. The Corporation covenants and agrees that it will at all times keep the proceeds of the sale of bonds to be issued hereunder separate from any if its other funds, and that said proceeds of sale, after deducting therefrom the costs of selling the same, not to exceed 10% thereof, shall be used for the following purposes and no other, namely:

First: To pay off said two Deeds of Trust now on the property, one of them being to the Federal Land Bank of Baltimore and recorded in the clerk's office of Isle of Wight County, Va. in Deed Book 96, page 151, which secured the original sum of $15,000, (but which has since been reduced by four payments of $487.50 each) and the other being to secure to the Merchants and Farmers Bank, Incorporated, of Smithfield, Virginia, the sum of $1,000.00 as evidenced by a

Deed of Trust recorded in the clerk's office of Isle of Wight County, Va. in Deed Book 98, page 127;

Second: To pay to Thomas R. Turner the sum of $5,000.00, being part of the purchase price to be paid him for the conveyance of the real estate secured hereby from said Thomas R. Turner to the Corporation;

Third: The residue of the proceeds of sale of said bonds shall be used only for the purposes of placing betterments and improvements on said real estate.

Article Four.

Release of Mortgaged Property.

Section 1. Upon the written request of the President of the Corporation, the Trustee shall release from the lien and operation of this Indenture any portion of the real estate conveyed herein, other than any land on which buildings are erected upon the payment to it at the rate of $300.00 per acre for each acre of land thus released.

Section 2. As payments for release are made, as provided in this Article, the moneys thus paid to the Trustee for such releases shall be held by the Trustee and shall be used by it for the purchase at par and the redemption of bonds issued hereunder, and if it cannot purchase such bonds at par then the Trustee shall select by lots such bonds so to be called and redeemed, and after any such bonds are called by lot for redemption, any such bond or bonds so called shall thereafter cease to bear interest.

Article Five.

Defeasance.

Section 1. Until some default shall have been made in the due and punctual payment of the interest upon or the principal of the bonds issued, outstanding and secured hereunder, or some part of such interest or principal, or in the due and punctual performance of some covenant or condition hereof, the Corporation shall be entitled, suffered and permitted to retain actual possession and enjoyment of the mortgaged premises and to manage, operate and use the same and every part thereof, and to collect the rents, income and profits therefrom.

Section 2. If when all of the bonds hereby secured shall become due and payable under any provision therefor of this Identure, the Corporation well and truly shall pay or cause to be paid the whole amount of the principal and interest due upon all of such bonds and shall also pay or cause to be paid all other sums payable hereunder, and shall well and truly keep and perform all the things herein required to be kept and performed by it, according to the true intent and meaning of this Indenture, then all of the property hereby conveyed shall revert to the Corporation and all of the estate, rights, title and interest of the Trustee shall thereupon cease and become void, and the Trustee shall on demand and at the cost and expense of the Corporation duly execute, acknowledge and deliver to the Corporation proper instruments releasing unto it the lien of this Indenture; otherwise this Indenture shall remain and continue in full force and virtue.

Article Six.

Remedies in case of Default.

Section 1. The Corporation hereby agrees that if it shall at any time after demand make make default, or refuse or omit, for any period exceeding thirty days to pay the semi-annual interest on the bonds hereby secured, and which shall be issued and outstanding, or shall after demand make make default, or refuse or omit to pay the principal upon each and every bond hereby secured, which shall be issued and out-standing when, where, and as the same shall become due and payable, or shall after demand make fail to keep each and all of the covenants and agreements herein contained to be kept, then in any of such cases the Trustee upon the written request of the holders of not less than 25% of the bonds hereby issued and out-standing, shall immediately, any law to the contrary notwithstanding, declare the whole of the principal of the bonds issued hereunder and then outstanding, whether by their terms due, together with all interest which may have accrued thereon, to be due and payable. This provision, however, is subject to the condition, that if at any time after the principal of said bonds shall have been so declared due and payable, and before any sale of the mortgaged premises shall have been made, all arrears of interest upon all of the bonds shall be paid by the Corporation and the Corporation shall remedy all of its other defaults, then and in such case the holders of a majority in amount of the bonds then outstanding, by written notice to the Trustee, may waive such default and its consequences.

Section 2. In case of thirty days default being made as above mentioned, and not waived, or in case of default in payment of the principal of any of the said bonds at maturity, the Trustee upon request in writing of not less than 50% of the holders of bonds secured hereby, shall sell to the highest and best bidder, all of the property conveyed to it by this Indenture, which sale or sales shall be made on the mortgaged premises and at such time and upon such terms as the Trustee may determine.

At any such sale the Trustee may sell the whole of the property subject to this Indenture in one parcel and as an entirety or else it may sell said property in as many separate tracts or parcels as it may deem best. Any such sale shall be advertised once a week for four successive weeks in a newspaper published in the City of Richmond, Virginia, and such advertisement shall be deemed sufficient notice of such sale, but in addition thereto, the Trustee may, if it deems advisable so to do, advertise such sale in such additional manner as it may deem proper.

Section 3. The Trustee may adjourn from time to time any sale by it to be made under the provisions of this Indenture by announcement at the time and place for such sale, or for such adjourned sale or sales, without further notice or publication and it may make such sale at the time and place to which the same shall have been so adjourned.

Section 4. Upon the completion of any sale or sales under this Indenture, the Trustee shall execute and deliver to the accepted purchaser or purchasers of the property so sold, and good and sufficient deed, or good and sufficient deeds, conveying, assigning and transferring the property so sold.

Section. 5. The receipt of the Trustee for the purchase money paid on any such sale, shall be sufficient discharge to the purchaser, without any liability on the part of the purchaser to see to the application of such purchase money, nor shall any such purchaser be bound to inquire as to the necessity, expediency or regularity of any such sale or sales.

Section 6. In case if any such sale the principal sum of every bond secured hereunder and then outstanding, shall immediately thereupon become due and payable, anything in said bonds or in this Indenture to the contrary notwithstanding.

Section 7. The proceeds of any such sale or sales shall be applied as follows: and in the following order,

First: to the payment of the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents and attorneys, and all expenses liabilities and advances made or incurred by the Trustee, and to the payment of all taxes, assessments, and liens, prior to the lien of this Indenture, except any prior liens, taxes or other charges subject to which the property shall have been sold;

Second: To the payment of the whole amount then owing or unpaid upon the bonds issued hereunder and then outstanding, with interest thereon, and in case the proceeds shall be insufficient to pay in full the amount so due and unpaid upon the said bonds, then to the payment of such principal and interest, without preference or priority over interest or of interest over principal, Third: To the payment of the surplus if any, to the Corporation or to whosoever may be lawfully entitled to receive the same.

Article Seven

Concerning the Trustee.

Section 1. The trustee shall not be under any obligation to take any action toward the execution or enforcement of the trusts hereby created which, in its opinion, will be likely to involve it in expemse or liability unless one or more of the holders of bonds secured hereby, or some person in their be-half, shall, as often as required by the Trustee, furnish it reasonable indemnity against such expense or liability.

Section 2. The Trustee shall not be required to take notice of any default hereunder, unless notified in writing of such default by the holders of bonds as hereinbefore provided; nor shall the Trustee be required to take action with respect to any default hereunder, unless requested so to do by writing signed by the holders of a majority in principal amount, of the bonds then outstanding, and, unless, also the Trustee be furnished reasonable indemnity as hereinbefore provided, anything herein contained to the contrary notwithstanding; but no such notice or request, nor any provision hereof, shall affect any discretion, herein expressly given to the Trustee, either to determine whether or not it shall take such action, or to take action without such request, nor shall it affect any discretion otherwise expressly vested in the Trustee by this Indenture.

Section 3. It shall not be the duty of the Trustee to pay or discharge any taxes, assessments, charges or liens upon any of the mortgaged premises, or to pay any insurance premium upon any policy thereon or any part thereof, unless it be requested so to do by one or more of the holders of such bonds, and be furnished with sufficient funds for that purpose; nor shall the Trustee be under obligation to effect any insurance upon the mortgaged premises or any part thereof, or to see that the same, or any part thereof, is kept insured by the Corporation, or to see that the covenants, stipulations and agreements in this Indenture contained, on the part of the Corporation are kept and performed.

Section 4. The Trustee shall be under no obligation whatever to see to the application of the bonds issued hereunder or of the proceeds of sale thereof, and the Trustee particularly shall not be required to see that the Corporation applies the proceeds of sale of said bonds in the manner provided for in Section 4 of Article Three of this Indenture; but the delivery of the Trustee to the Corporation of such bonds, in conformity with Section 4 of Article One of this Indenture, shall completely discharge the Trustee with respect to the bonds so authenticated and delivered.

Section 5. The Trustee shall be entitled to reasonable compensation for all services rendered by it in the execution of the trusts hereby created, including reasonable compensation to any attorneys or agents which it is necessary for it to employ in connection therewith.

Section 6. The said State-Planters Bank and Trust Company, the party of the second part, hereby accepts the trust by this Indenture created, declared, and provided, and agrees to perform them upon the terms and conditions hereinbefore set forth.

In witness whereof Shoal Bay, Incorporated, has hereunto caused its corporate name to be hereunto signed by F. D. Berry, its President, and its corporate seal to be hereunto affixed and attested by Thomas R. Turner, its Secretary, and the State-Planters Bank and Trust Company as Trustee, has caused its corporate name to be hereunto signed by R. E. Cunningham, its Vice-President and its Corporate seal to be hereunto affixed and attested by E. E. Wilson, its Assistant Secretary, all as of this 18th day of June, 1927.

Shoal Bay, Incorporated

By: F. D. Berry
President

(CORPORATE SEAL)

Attest:

Thomas R. Turner
Secretary.

State-Planters Bank & Trust Company, Trustee

By: R. E. Cunningham
Vice-President

(CORPORATE SEAL)

Attest:

E. E. Wilson,
Assistant Secretary.

State of Virginia,

City of Richmond, to-wit:

I, Doris E. Ellett, a Notary Public in and for the City aforesaid, in the State of Virginia, do hereby certify that F. D. Berry and Thomas R. Turner, whose names as President and Secretary, respectfully of Shoal Bay, Incorporated, are signed to the foregoing Indenture, bearing date on the 18th day of June, 1927, this day personally appeared and acknowledged the same before me in my City aforesaid, and they further acknowledged that they executed the foregoing Indenture in behalf of Shoal Bay, Incorporated, pursuant to authority to them duly given.

Given under my hand this 18th day of June, 1927.

My commission expires on the 29th day of September, 1929.

Doris E. Ellett
Notary Public.

State of Virginia,

City of Richmond, to-wit:

I, William J. Spiller, a Notary Public in and for the City aforesaid in the State of Virginia, do hereby certify that R. E. Cunningham and E. E. Wilson, whose names as Vice-President and Assistant Secretary, respectively, of State-Planters Bank & Trust Company, are signed to the foregoing Indenture, bearing date on the 18th day of June, 1927, this day personally appeared and acknowledged the same before me in my City aforesaid, and they further acknowledged that they executed the foregoing Indenture in behalf of State-Planters Bank & Trust Company, as Trustee, pursuant to authority to them duly given.

Given under my hand this 27th day of June, 1927.

My commission expires on the 8th day of June, 1931.

William J. Spiller,
Notary Public.

Virginia: Clerk's Office of the Circuit Court of the County of Isle of Wight, June 28, 1927, at 11:30 o'clock A. M. this Indenture was received and with the certificate annexed, admitted to record.

Teste: R. A. Edwards, Clerk.

A Copy:

Teste: R. A. Edwards Clerk.

Recorded in Deed Book 98

At Page 467.

Isle of Wight County Record.

"F.D.B.#7."

COPY.

Richmond, Va.
April 8, 1927.

Mr. Thomas R. Turner,
Smithfield, Va.

Dear Mr. Turner:

In pursuance to our arrangement, I am writing you this letter, to confirm agreements made with reference to the conduct, etc. of the Shoal Bay property.

1. It is understood and agreed that the property to be transferred to Shoal Bay Corporation will be that designated in a letter, reserving certain personal property from the conveyance.

F.D.B.#7.

2. You are to continue in your present capacity at Shoal Bay for the first three months from the date of the conveyance of the title to the company; you are to serve without salary; for a period covering the succeeding six months you are to receive $100.00 per month. Fir the period immediately following the end of the six months period, you are to receive $150.00 per month for your services.

3. From the date of the conveyance of the title, the corporation will take over the electric apparatus and machinery, which you contracted to purchase and will pay the installments due thereon until completion. It being understood that the payments will be made in full on or about November next.

4. It is understood and agreed that the writer will have conveyed to you a plot of not less than one half acre of land upon which to build a house or residence for your private use without cost to you.

It is further understood and agreed, by and between us, that you will lend every effort to the development of the enterprise planned for the development of the Shoal Bay property along the lines proposed, and that the writer will equally lend you any possible assistance to the same end.

Yours very truly,
F. D. Berry

ACCEPTED:

(SGD) Thomas R. Turner

$ 1000.00 1500

SMITHFIELD, VA. Nov. 20th, 1926 192

Ninety (90) DAYS AFTER DATE I PROMISE TO PAY TO THE ORDER OF

The Merchants and Farmers Bank, NEGOTIABLE AND

PAYABLE, WITHOUT OFFSET, AT **THE MERCHANTS & FARMERS BANK**, INC., OF SMITHFIELD, VIRGINIA.,

One thousand and no/100 ------------------------------ $\frac{}{100}$ DOLLARS

FOR VALUE RECEIVED, AND IN CASE COLLECTION IS MADE BY SUIT OR ATTORNEY, THE MAKER OR MAKERS, ENDORSER OR ENDORSERS, HEREBY AGREE TO PAY TEN PER CENT. OF THE FACE VALUE OF THIS NOTE TO COVER THE COST INCURRED, AND WE THE MAKER OR MAKERS, ENDORSER OR ENDORSERS, HEREBY WAIVE THE BENEFIT OF THE HOMESTEAD EXEMPTION AS TO THIS DEBT.

Deed of Trust.

Thomas R. Turner

NO. 1479

DUE Feb 18

"F.D.B #3."

F.D.B. #3.
D.E.S.

"F.D.B. #4."

5.00

$ 1000 00/100 SMITHFIELD, VA. Feb 3 1929

Ninety DAYS AFTER DATE I PROMISE TO PAY TO THE ORDER OF

The Merchants & Farmers Bank NEGOTIABLE AND

PAYABLE, WITHOUT OFFSET, AT THE MERCHANTS & FARMERS BANK, INC., OF SMITHFIELD, VIRGINIA.,

One thousand & no/100 DOLLARS

FOR VALUE RECEIVED, AND IN CASE COLLECTION IS MADE BY SUIT OR ATTORNEY, THE MAKER OR MAKERS, ENDORSER OR ENDORSERS, HEREBY AGREE TO PAY TEN PER CENT. OF THE FACE VALUE OF THIS NOTE TO COVER THE COST INCURRED; AND WE THE MAKER OR MAKERS, ENDORSER OR ENDORSERS, HEREBY WAIVE THE BENEFIT OF THE HOMESTEAD EXEMPTION AS TO THIS DEBT.

MAR 5 1929

Smithfield, Va.

Protested for Non-Payment

Notary Public

Charges $

Commission expires Sept.

NO.

DUE Mar 5

F.D.B. #4
RESL.

00 0001
0852

9

MANUFACTURERS TRUST COMPANY

1-357
2

513 FIFTH AVENUE CORNER 43RD STREET

NEW YORK April 4th 1929

PAY TO THE ORDER OF The Merchants & Farmers Bank, Incorporated $1,020.00

One Thousand twenty # - - - - - - - - - - - - DOLLARS

No. 118

F. D. Berry

"F.D.B. #5"

F. A. Perry

for the Credit

F.D.B.

#5

BEd

LAW OFFICES
JOHNSON & STEPHENS
SMITHFIELD, VIRGINIA

Exhibits F.B.B. # 1, 2, 3. 4. 5 & 7.

"F.B.B.#2."

$5,000.00 Richmond, Va. June 18, 1927

Five years after date for value received we promise to pay to the order of Thomas R. Turner, Five thousand and 00/100 dollars together with interest thereon at 6% per annum from date hereof said interest payable semi-annually.
Negotiable and payable at the State Planters Bank and Trust Company, Richmond, Va.

The makers and endorsers of this note hereby waive protest, presentation and notices of dishonor and hereby agree to remain bound for the payment of this note notwithstanding any extension or extensions of time of payment of it, or any part of it made by agreement, with any one or more parties hereto after maturity. The makers and endorsers of this note hereby waive the benefit of their homestead exemption as to this debt and agree to pay all expenses incurred in collecting the same, including fifteen per cent attorney's fees in case this note shall not be paid at maturity.

SHOAL BAY, INCORPORATED,

By--- F. D. Berry

PResident

On the bank of note

This note is secured by a Deed of Trust on real estate known as Shoal Bay, Isle of Wight County, Va.,

(signed) Joseph M. Hurt, Jr.,
Trustee

I hereby guarantee the payment of the within note, both as to principal and interest, at maturity.

(signed) F. D. Berry

"F.D.B., #1."

1 9 2 7

JANUARY

12	Surveying	$45.00
22	Travel.Exp	25.
		70.

FEBRUARY

5	T. R. T	$300.
15	Travel Exp.	50
16	Stock	25
18	T.R. T	10
24	Campbell	20
27	"	20
		425.

MARCH

14	T. R. T	$350.
22	Travel Exp.	100
		450.

APRIL

5	Travel Exp.	50.
16	" "	25
18	" "	100.
20	Organizing Co	150.
21	Club Charter	76
	Stationery	47
	Photographs	90.60
	Rent-Richmond	27.50
		566.10

MAY

2	Travel Exp.	125.
5	J. M. Hurt	250.
	Printer	15.
	"	11.
6	Engineer	30.
13	Travel Exp	75
17	" "	50
25	Club Charter	100
	Rent & Tel. R	40.
		696.

JUNE

2	Travel Exp.	125.
4	Rent - N.Y	55
	Rent -Tel. R.	37.68
	Club Register	22.90
	Cards	6.
6	Mort. & Int.	487.50
	Food	16.25
18	J.M.Hurt	356.20
		1,106.53

JULY

8	Printer	185
	Rent & Tel.R	39.
	Rent - N. Y	55
16	Range	270.90
		550.90

AUGUST

5	Rent & Tel. R.	38.
	Rent - N. Y	55
20	Printer	46.
		139.

SEPTEMBER

6	Rent & Tel. R.	37.85
	Rent - N. Y	55
25	Printer	500.
		592.85

OCTOBER

6	Rent -Tel.R	38.75
	" - N. Y	55.
	Cigarettes	30.
	Appraisal	25.
	Travel Exp.	50/
9	T. R. T	115
13	Elec. Mach	43.
	Design Lt.Hd	42.50
	Abs. Title	45
	T. R. T	50.
20	T. R. T	125.
14	Printer	456.60
		1,075.85

NOVEMBER

1	Advertising	375.
12	Payroll	50.
7	Travel Exp.	50
9	J. M. Hurt	23
15	Travel Exp.	25.
18	Shoal Bay	94
22	J. M. Hurt	125.
23	Printer	176
	Travel Exp.	50
	Rent -Tel R.	40.
	Rent - N. Y	55.
28	Payroll	24.80
		1,087.80

DECEMBER

6	-Rent - Tel. R.	39.25
	" - N. Y	55.
3		107
10		130.50
17		50
21	Mort & Int.	487.50
23		50.
31		50.
		969.25

1 9 2 8

JANUARY

3	Rent - Tel. R	35.70
	Rent - N. Y	55
14	-"AD"	193.70
25	Payroll	50.
	Insurance	37.75
30		35.
		432.15

FEBRUARY

1	Payroll	37.
8	Printer	52.25
9	Payroll	35.
	Rent - Tel R.	36.10
	" - N. Y	55.
11	Travel Exp.	50.
17	Payroll	25.
24	"	35.
	Shoal Bay	75.
29	Club Tax	5.
	Corp. Tax	125.
	Smithfield Far.	125.50
	" Plumbers	39.05
	" Grain	16.66
	G. Delk	45.44
		757.00

MARCH

1	Travel. Ex.	50.
3	Payroll	35.
	Rent -Tel. R	38.
	" N. Y	55.
6	Survey	90
8	Payroll	35.
12	Travel. Exp.	50
15	Payroll	35.
23	Payroll	35.
30	Payroll	35.
		458

APRIL

9	Rent - Tel. R.	40.81
	" - N. Y	55
	Travel. Exp.	25.
16	" "	50.
	Payroll	25.
17	- Artist (Ness)	125.
19	Payroll	25.
		345.81

MAY

1	Insurance	37.75
	Remick	46.50
	Taxes	341.51
4	Payroll	50.
7	Travel. Exp.	50.
	Rent -Tel. R	33.30
	" - N. Y	55
10	Payroll	25.
18	Artist (Ness)	225.
	Payroll	25.
26	Payroll	25.
29	Sundries	74.17
		988.23

JUNE

6	Mort.- Int.	487.50
	Rent -Tel. R	36.35
	Rent - N. Y	55
11	Payroll	25.
24	Coloring Print	4.50
		608.35

JULY

10 - Artist (Ness) $63.25

	1927	1928
January	$ 70.00	$ 432.15
February	425.00	757.00
March	450.00	458.00
April	566.10	345.81
May	696.	988.23
June	1,106.53	608.35
July	550.90	63.25
August	139	
September	592.85	
October	1,075.85	
November	1,087.80	
December	969.25	
	7,729.28	3,652.79

VIRGINIA - IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY

THE FEDERAL LAND BANK OF BALTIMORE, a corporation......Plaintiff

VS.

THOMAS R. TURNER, GEORGE F. WHITLEY, TRUSTEE, SHOAL BAY, INCORPORATED, WHITING C. FAULKNER AND JOSEPH M. HURT, JUNIOR, TRUSTEES, THE MERCHANTS AND FARMERS BANK, INC. of Smithfield, Virginia, and STATE PLANTERS BANK AND TRUST COMPANY, TRUSTEE ....Defendants

SUMMONS IN CHANCERY TO FIRST OCTOBER RULES, 1929

Geo F Whitley
....

J G Whitehurst
....
Counsel for Plaintiff

To the Clerk of the Circuit Court:

Please direct process in the above suit against Thomas R. Turner, George F. Whitley, Trustee, and the Merchants and Farmers Bank, Inc., Smithfield, Virginia, to the Sheriff of Isle of Wight County.

Execute process on Thomas R. Turner, Secretary-Treasurer of Shoal Bay, Inc., Whiting C. Faulkner and Joseph M. Hurt, Trustees, the State Planters Bank and Trust Company, and address same to the Sheriff of Richmond City.

I enclose herewith check for $10.00 costs, that being the amount of deposit generally required by the Clerks in Virginia for Sheriff and Clerk. Please sign and return the slip to be found in the return envelope, acknowledging receipt of these proceedings.

Yours very truly,

J G Whitehurst

Counsel.

MG
9-17-29.

The Fed. Land Bank of Balto.
vs. Cy. #. 565
Thomas R. Turner, et als.

memo.

Filed
9-23-29
R.A.E.

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF BALTIMORE,

v. IN CHANCERY NO. 565

THOMAS R. TURNER, GEORGE F. WHITLEY, TRUSTEE, SHOAL BAY, INCORPORATED, WHITING C. FAULKNER AND JOSEPH M. HURT, JR., TRUSTEES, THE MERCHANTS & FARMERS BANK, INCORPORATED, OF SMITHFIELD, VIRGINIA, STATE PLANTERS BANK & TRUST COMPANY, TRUSTEE, AND F. D. BERRY.

This cause came on this day to be again heard on the papers formerly read and on the report of James H. Corbitt and George F. Whitley, the Commissioners appointed by the decree entered herein on the 6th day of July, 1931, of the payment by Thomas R. Turner of the purchase price of the property in the bill in the proceedings mentioned and of the distribution made by them in obedience to the decrees entered herein on July 6, 1931, July 22, 1932, and September 26, 1932, of the sum of money paid to them, to which report there is no exception, and was argued by counsel.

On consideration whereof, it appearing to the court that, pursuant to the decree entered herein on July 22, 1932, Thomas R. Turner has paid the purchase price of Thirty Thousand Dollars ($30,000.00), for the property in the bill in the proceedings mentioned, by the payment to the Special Commissioners of Twenty Thousand, Eight Hundred, Forty-Six Dollars and Forty-Four Cents ($20,846.44) in cash and executing his receipt for Nine Thousand, One Hundred, Fifty-Three Dollars and Fifty-Six Cents ($9,153.56), which said sum has been credited also pro-rata on the six (6) promissory negotiable notes - five (5) for the sum of $10,000.00 each and one (1) for the sum of $5,000.00 - secured by the deed of trust from Shoal Bay, Incorporated, to Whiting C. Faulkner and

Joseph M. Hurt, Jr., Trustees, dated the 18th day of June, 1927, and recorded on the 28th day of June, 1927, in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, at page 475, and that of said sum of $20,846.44 the said Special Commissioners, pursuant to the decrees entered in this cause on July 6, 1931, and July 22, 1932, have made payments as follows:

Cash received from Thomas R. Turner.....................$20,846.44

Amounts paid by Special Commissioners:

Paid R. A. Edwards, Clerk, the following delinquent taxes:

1928 Taxes	$362.97		
Int. from June 15, 1929,	68.60		
Clerk	.50	$ 432.07	
1929 Taxes	$362.97		
Int. from June 15, 1930,	46.82		
Clerk	.50	410.29	
1930 Taxes	$352.51		
Int. from June 15, 1931,	24.32		
Clerk	.50	377.33	
		$ 1,219.69	

Paid E. R. Laine, County Treasurer:

1931 Taxes	$300.80		
5% Dec. 6, 1931,	15.04		
	$315.84		
5% June 15, 1932,	15.79	$ 331.63	

Paid The Federal Land Bank of Baltimore:

Principal of note	$14,429.66		
Int. from Dec. 8,1928,	2,909.98	$17,339.64	

Paid expenses of sale:

Smithfield Times (handbills)	$4.00		
W. C. Whitehead, Auctioneer's fee................	10.00		
R. A. Edwards, Agt., premium on Com. bond........	60.00		
Drawing deed to purchaser	10.00		
Revenue stamps on deed	30.00		
Commissioners' commissions	750.00	$ 864.00	

Paid court costs: (Payable to Clerk)

Writ tax................	$ 1.50		
Clerk's fees............	25.50		
Clerk's future costs....	3.50		
Taxed atty's fee........	15.00		
Sheriff's & Sgt's fees..	7.00		
A.E.S.Stephens, Com. fee	150.00		
Smithfield Times (Order of Publication)........	22.00	224.50	19,979.46

Balance reserved for 5% collection fee .... $ 866.98

and that pursuant to the decree entered herein on September 26, 1932, they have paid out the said $866.98 which was reserved for the five per cent collection fee claimed by The Federal Land Bank of Baltimore, as follows:

To George F. Whitley, Attorney for The Federal Land Bank of Baltimore, in full settlement of counsel fees for plaintiff's counsel and in lieu of 5% collection fee..............................	$400.00
" James G. Martin, Special Commissioner.....	22.50
" J. M. Knight, Stenographer...............	7.50
" Thomas R. Turner and credited pro-rata on the six (6) promissory negotiable notes - five (5) for the sum of $10,000.00 each and one (1) for the sum of $5,000.00- secured by the aforesaid deed of trust from Shoal Bay, Incorporated, to Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees,..............................	436.98
	$866.98

for all of which foregoing payments the said Special Commissioners have submitted to the court receipts, including the original $15,000.00 amortization first mortgage note dated the 8th day of June, 1925, executed by Thomas Randolph Turner, payable to The Federal Land Bank of Baltimore, secured by mortgage of the same date, which said note is marked paid, the court doth approve and confirm the said report and all of the said payments, and it is adjudged, ordered and decreed that the said Special Commissioners and their surety be, and they are hereby, relieved of further liability under their bond given in these proceedings.

And the court doth hereby authorize, empower and direct the clerk of this court to enter upon the margin of the page of the book where the mortgage from Thomas Randolph Turner and Sallie A. Turner to The Federal Land Bank of Baltimore is recorded full payment and satisfaction of the debt secured by the lien of the said mortgage, and to refer to the page of the chancery order book where this order is recorded for his authority for so doing, and such entry and reference by the clerk shall operate as a release of the said mortgage as fully and effectually as if the said marginal entry were a formal deed of release duly executed by The Federal Land Bank of Baltimore, delivered and recorded.

And nothing further remaining to be done in this cause, it is adjudged, ordered and decreed that the same be removed from the docket.

VIRGINIA:
IN THE CIRCUIT COURT
OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF
BALTIMORE,

v.

THOMAS R. TURNER, ET ALS.

D E C R E E

1932
Oct 10
Enter this
B.

Book 9
Page 53

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF BALTIMORE)
v.)
THOMAS R. TURNER, ET ALS.)

This cause came on this day to be further heard on the papers formerly read and on the report of James G. Martin, Special Commissioner, this day filed, and was argued by counsel.

On consideration whereof, it appearing from the said report that by agreement of counsel a fee of Four Hundred Dollars ($400.00) is to be allowed in full settlement of fees of counsel for plaintiff in this cause, and that the whole of this fee of Four Hundred Dollars ($400.00) is to be paid to George F. Whitley, the Court doth confirm the said report and the said agreement, and doth adjudge, order and decree that James H. Corbitt and George F. Whitley, Special Commissioners, out of the funds in their hands held to protect the five per cent (5%) collection fee provided for in the mortgage given by Thomas R. Turner to The Federal Land Bank of Baltimore, do pay unto George F. Whitley, counsel for the said Bank, the sum of Four Hundred Dollars ($400.00) in full settlement of fees of counsel for plaintiff in this cause, which payment shall be in lieu of and in satisfaction of the five per cent (5%) collection fee provided for in the said mortgage, and that, after paying all additional costs by reason of the reference to the said James G. Martin, Special Commissioner, including his fee of Twenty-Two Dollars and Fifty Cents ($22.50) and the stenographer's fee of Seven Dollars and Fifty Cents ($7.50), the said Commissioners pay the balance of said funds held by them to Thomas R. Turner to be credited by him on the debt due him as the holder of the second lien on the said real estate.

VIRGINIA:
IN THE CIRCUIT
COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF
BALTIMORE,

V. 565

THOMAS R. TURNER, ET ALS.

DECREE

I have seen this decree
James H. Corlett,
Atty for Thomas R. Turner
The Federal Land Bank
of Baltimore
By Geo. T. Whitley,
Atty.

1932
Sept 26.
Enter this
B. D. W.

9-52

VIRGINIA:

IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND FANK OF BALTIMORE,

v. IN CHANCERY NO. 565

THOMAS R. TURNER, GEORGE F. WHITLEY, TRUSTEE, SHOAL BAY, INCORPORATED, WHITING C. FAULKNER AND JOSEPH M. HURT, JR., TRUSTEES, THE MERCHANTS & FARMERS BANK, INCORPORATED, OF SMITHFIELD, VIRGINIA, STATE PLANTERS BANK & TRUST COMPANY, TRUSTEE, AND F. D. BERRY.

This cause came on this day to be further heard on the papers formerly read and on the question of what is a reasonable attorney's fee to be paid counsel for the complainant, and was argued by counsel.

On consideration whereof the court doth adjudge, order and decree that this cause be referred to James G. Martin, who is hereby appointed a commissioner for the purpose, to ascertain the following:

1. What will be a reasonable attorney's fee for complainant's counsel in this cause.

2. What amount or amounts each counsel for complainant expected to be paid, have been paid and will be paid by the complainant as an attorney's fee in these proceedings.

And the said commissioner is directed to make the several inquiries hereinbefore directed, and make report thereof to the court, together with any matters specially stated deemed pertinent by himself or which may be required by any of the parties to be so stated.

VIRGINIA:
IN THE CIRCUIT COURT
OF ISLE OF WIGHT COUNTY.

THE FEDERAL LAND BANK OF
BALTIMORE,

v.

THOMAS R. TURNER, et als.

D E C R E E

1932
Aug. 19.
Enter this
B.D.W.

Chy Order Bk 9
page 49.

VIRGINIA,

IN THE CIRCUIT COURT OF THE COUNTY OF ISLE OF WIGHT:

The Federal Land Bank of Baltimore

vs.

Thomas R. Turner, et als.

This cause came on this day to be again heard on the papers formerly read and on the report of James H. Corbitt and Geo. F. Whitley, Special Commissioners, this day by leave of Court filed, to which report there are no exceptions, and was argued by counsel:

And it appearing from said report that the said Commissioners, after having advertised the time, place and terms of sale as provided for by a decree entered in this cause on the 6th day of July, 1931, did, on Tuesday, the 20th day of October, 1931, offer for sale at public auction in front of the main dwelling house on the premises, the real estate in the bill and proceedings mentioned; that at said sale the property was struck off to Thomas R. Turner for the sum of Thirty Thousand Dollars ($30,000.00), that being the highest bid made therefor; that the said Thomas R. Turner desires to pay the entire purchase price in cash provided such an amount as might be due the said Thomas R. Turner as the holder of the second lien on the said property would be treated as cash in the payment of the purchase price above mentioned. on consideration whereof, the Court doth confirm the said report and doth adjudge, order and decree that the said Commissioners execute a good and sufficient deed with special warranty, conveying the said real estate in the bill and proceedings mentioned to Thomas R. Turner, and to deliver the same to him upon receipt of the said sum of Thirty Thousand Dollars ($30,000.00) less such an amount as may be due the said Thomas R. Turner as the holder of the second lien on said real estate, which said amount so due the said Thomas R. Turner shall be treated as cash. And the said Commissioners are directed to take from the said Thomas R. Turner a receipt for such amount so due him, showing same to be a credit on the debt secured by the said second lien so held by him.

And the said Commissioners are further ordered to pay all accrued court costs to the dismissal of this suit, including commissions to the said Commissioners, as well as all past due taxes on said property, and then to pay to The Federal Land Bank of Baltimore the amount due it under its mortgage as shown by the Commissioner in Chancerys' report heretofore filed in this cause, except the five per cent (5%) collection fee provided for in the said mortgage and bond held by the said Bank, which amount of said five per cent collection fee the said Commissioners are directed to deposit to their credit to be held subject to the further order of the Court.

And the said Commissioners are ordered to report to Court how they have executed this decree.

And this cause is continued.

The Federal Land
Bank of Baltimore,
vs
Thomas R. Turner
et al.

Decree confirming
Special Master's Report.

1932
July 22
Enter this
[illegible]

9-47

VIRGINIA: IN THE CIRCUIT COURT OF ISLE OF WIGHT COUNTY

THE FEDERAL LAND BANK OF BALTIMORE,

v. IN CHANCERY NO. 565

THOMAS R. TURNER, GEORGE F. WHITLEY, TRUSTEE, SHOAL BAY, INCORPORATED, WHITING C. FAULKNER and JOSEPH M. HURT, JR., TRUSTEES, THE MERCHANTS & FARMERS BANK, INCORPORATED, of SMITHFIELD, VIRGINIA, STATE PLANTERS BANK & TRUST COMPANY, TRUSTEE, AND F. D. BERRY.

This cause came on this day to be again heard on the papers formerly read; the petition of F. D. Berry filed by leave of court; the report of A. E. S. Stephens, Commissioner in Chancery, to whom this cause was heretofore referred, filed on the 13th day of August, 1930, and on the testimony of witnesses, including exhibits, taken before said commissioner and returned with the said report; the exceptions of F. D. Berry and the exceptions of Thomas R. Turner filed to the said report; and was argued by counsel.

On consideration whereof the court doth overrule all of the exceptions of the said F. D. Berry and all of the exceptions of the said Thomas R. Turner to the said report, and doth approve and confirm the said report in all respects except as to the five per cent collection fee hereinafter mentioned.

And it appearing to the court that the unsatisfied liens of record, including taxes against the property situate in Isle of Wight County, Virginia, known as Shoal Bay, containing five hundred and twenty-five (525) acres, more or less, which is fully described in the certain deed or mortgage from Thomas R. Turner to The Federal Land Bank of Baltimore, a corporation, dated the 8th day of June, 1925, and recorded in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, are, in order of priorities, as follows:

First: Taxes due the County of Isle of Wight as follows:

For the year 1928 - Three Hundred and Sixty-Two Dollars and Ninety-Seven Cents ($362.97) with interest thereon from June 15, 1929, until paid, and the clerk's fee of fifty (50) cents;

For the year 1929 - Three Hundred and Sixty-Two Dollars and Seventy-Two Cents ($362.72) with interest thereon from June 15, 1930, until paid, and the clerk's fee of fifty (50) cents;

For the year 1930 - Three Hundred and Fifty two Dollars and Thirty six Cents ($352.36) with interest thereon from June 15, 1931, until paid, and the clerk's fee of fifty (50) cents;

For the year 1931, - Three hundred and Thirty Dollars and Seventy nine Cents ($330.79.)

Second; The lien of the foregoing mentioned mortgage from Thomas Randolph Turner and Sallie A. Turner to The Federal Land Bank of Baltimore, a corporation, dated the 8th day of June, 1925, and recorded on the 15th day of June, 1925, in the Clerk's office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 96, page 151, upon which there is owing the principal sum of Fourteen Thousand, Four Hundred and Twenty-Nine Dollars and Sixty-Six Cents $14,429.66) with interest thereon at the rate of five and one-half per centum per annum from the 8th day of December, 1928, until paid, together with a collection fee of five per cent upon the principal sum owing, as provided in the note, secured by the said mortgage, except as to said fee as herein decreed;

Third: The lien of a certain deed of trust from Shoal Bay, Incorporated, to Whiting C. Faulkner and Joseph M. Hurt, Jr., Trustees dated the 18th day of June, 1927, and recorded on the 28th day of June, 1927, in the Clerk's Office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 475, securing the principal sum of Fifty-Five Thousand Dollars evidenced by six promissory negotiable notes - five for the sum of $10,000.00 each and one for the sum of ~~$1,000.00~~ $5,000.00, dated the same as the said deed, payable five years after date to Thomas R. Turner with interest thereon from date at the rate of six per centum per annum, which said notes are held by Thomas R. Turner and upon which there is now due the principal sum of Fifty-Five Thousand Dollars together with the interest thereon from the 18th day of June, 1927, until paid, at the rate of six per centum per annum;

the court doth so hold and doth adjudge, order and decree that the liens against the said property be and are fixed as above set forth, except as to said collection fee

And it further appearing to the court that the debt payable to The Merchants & Farmers Bank, Incorporated, of Smithfield, Virginia, secured by the deed of trust from Thomas R. Turner to George F. Whitley, Trustee, dated the 20th day of November, 1926, recorded in the Clerk's office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 127, was paid to the said Bank on the 6th day of April, 1929, by F. D. Berry, under such circumstances as not to entitle the said F. D. Berry to be subrogated to the rights of the said The Merchants & Farmers Bank, Incorporated, of Smithfield, Virginia, against Thomas R. Turner, and that the note evidencing the debt secured by the said lien was, at the time of the said payment, marked paid and delivered to the said F. D. Berry and by him delivered to the said A. E. S. Stephens, Commissioner, who has returned it with his report; that the lien created by the said deed of trust is terminated by the said payment, and that full payment and satisfaction of said debt should be entered upon the margin of the page of the book where the said deed is recorded and the said lien be released, the court doth adjudge, order and decree that the said debt has been fully paid and satisfied and that the lien of the said deed of trust securing the same should be released, and doth hereby authorize, empower and direct the Clerk of this Court to enter upon the margin of the page of the book where the said deed of trust is recorded full payment and satisfaction of the debt secured by the lien of said deed of trust, and to refer to the page of the chancery order book where this order is recorded for his authority for so doing, and such entry and reference by the Clerk shall operate as a release of the said deed of trust as fully and effectually as if the said marginal entry were a formal deed of release duly executed by the said The Merchants & Farmers Bank, Incorporated, and F. D. Berry, delivered and recorded.

And it further appearing to the court that all of the bonds described in the deed of trust from Shoal Bay, Incorporated, to State Planters Bank & Trust Company, Trustee, dated the 18th day of June, 1927, and recorded in the Clerk's office of the Circuit Court of Isle of Wight County, Virginia, in Deed Book 98, page 467, have been delivered to the said A. E. S. Stephens, Commissioner, by the trustee under the said deed of trust, and that the said commissioner has returned them with his report; that none of the said bonds has ~~have~~ been either authenticated by the trustee or disposed of, and that there is no equitable lien, by reason of said deed, in favor of Thomas R. Turner, and that the said deed of trust should be ordered, released of record, the court doth so adjudge, order and decree, and doth hereby authorize, empower and direct the clerk of this court to mark "Cancelled" across the face of each of the said bonds and to enter upon the margin of the book where the said deed of trust is recorded full satisfaction and release of the said lien, and to refer to the page of the chancery order book where this decree is recorded for his authority for so doing, and such entry and reference by the clerk shall operate as a release of the said deed of trust as full and effectually as if the said marginal release were a formal deed of release duly executed by the trustee under the said deed, delivered and recorded.

The Court doth further adjudge, order and decree that unless the defendants or someone for them shall within 15 days from the entry of this decree, pay the liens on said land as set forth in said Commissioner in Chancery's report, then George F. Whitley, I. P. Whitehead and James H. Corbitt, any one or all of whom may act, who are hereby appointed Special Commissioners for the purpose, shall, after first advertising the time, place and terms of sale for not less than fifteen days by hand bills posted in five or more public places in the County of Isle of Wight, sell the land in the bill and proceedings mentioned, and more specifically described in the mortgage above mentioned executed by Thomas R. Turner and Sallie A. Turner to The Federal Land Bank of Baltimore, at public auction, to the highest bidder, in front of the United States Postoffice in the Town of Smithfield, Virginia, or upon the premises, and upon the following terms, to-wit:

for cash as to one-third of the purchase money and the balance upon credit of one and two years, payable in equal installments, to be evidenced by notes to be executed by the purchaser or purchasers, payable to the commissioners in this cause, bearing interest from date of sale, and containing a waiver of the homestead exemption, the title of the said land to be retained by the said commissioners until the whole of the purchase money shall be paid, or for all cash at the option of the purchaser.

But before acting under this decree the said commissioners shall enter into bond with approved security before the clerk of this court in the penalty of $ 20.000.00 conditioned upon the faithful performance of their duties as such commissioners under this and any further decrees or orders which may be entered in this cause. And the said commissioners shall report to court how they have executed this decree; and this cause is continued, but the Court reserves the right to hereafter pass upon the question as to the payment of the five per cent collection fee upon the principal of said debts; and said Commissioners shall report their proceedings hereunder.

16

VIRGINIA - IN THE CIRCUIT COURT OF
ISLE OF WIGHT COUNTY

- - - - - - - - - - - - - - - - -

The Federal Land Bank of Balto.

vs. In Chancery # 565

Thomas R. Turner, et al

- - - - - - - - - - - - - - - - -

We ask for this decree:

Geo. F. Whitley

J. P. Whitehead

Counsel for Plaintiff

- - - - - - - - - - - - - - - - -

1931
July 6

Enter this:

9-1

JUDGE

- - - - - - - - - - - - - - - - -

I have seen this decree
Jas H. Corbitt
Atty for Thomas R. Turner