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IN THE SUPERIOR COURT OF THE STATE OF AL\_\_\_\_\_  
IN AND FOR THE COUNTY OF MARICOPA

In the Matter of the Estate  
of

JOHN P. SCHEETS,  
Deceased.

No. 31863

ORDER SETTLING FINAL ACCOUNT AND  
REPORT AND DECREE FOR FINAL DIS-  
TRIBUTION OF ESTATE.

LELA M. SCHEETS and JOHN P. SCHEETS, II, the executors  
of the Last Will and Testament of John P. Scheets, deceased,  
having on the 29th day of September, 1954, filed herein their  
final account and report of their administration of said estate,  
which account was for final settlement, and having with said  
final account and report filed herein their petition for the  
final distribution of said estate;

And this day and hour having been duly and regularly  
fixed and appointed for the settlement of said account and report  
and the hearing of said petition, and said matters coming now  
regularly on to be heard;

And due proof having been made to the satisfaction  
of the Court, and the Court finding, that due and regular notice  
of the time and place of said settlement and hearing has been  
given as required by law and in the manner and for the time  
heretofore ordered and directed by the Court;

And said matters having been heard, and it appearing to  
the Court, and the Court finding, that said account and report  
is in all respects true and correct; that it is supported by  
proper vouchers; and that the residue of money in the hands of  
said executors, as executors of the Last Will and Testament  
of said John P. Scheets, deceased, in the State of Arizona is,  
as is shown by said account and report, the sum of Three Thousand

Nine Hundred Twenty-four and 97/100 Dollars (\$3,924.97); that said executors are also the duly appointed, qualified and acting executors of the Last Will and Testament of said John P. Scheets, deceased, in the State of Illinois, and that except as is shown by said account and report, all expenses of the administration of the estate of said deceased in the State of Arizona have been paid by said executors out of funds in their hands as executors of said Last Will and Testament in the State of Illinois; that the total amount of said expenses so paid by such executors as executors of said Last Will and Testament of said deceased in the State of Illinois is, as is shown by said account and report, the sum of Two Thousand Eight Hundred Twenty-five and 76/100 Dollars (\$2,825.76);

And it further appearing <sup>Unofficial Document</sup> to the Court that the Arizona Estate Tax in the matter of said estate has been paid, and that no income tax was payable by said deceased or by said estate to the State of Arizona, and that said executors have filed herein the certificate of the Arizona Estate Tax Commission as required by Section 68 of Chapter 65 of the Acts of the Twenty-first Legislature of the State of Arizona, Second Regular Session, being the "Income Tax Act of 1954"; that notice to creditors has been duly given and that no claims against said deceased or said estate have been presented or allowed or filed herein;

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that said final account and report of said executors be, and the same is hereby, allowed, approved and settled.

And it appearing to the Court, and the Court finding, that all costs, charges and expenses of administration of said estate in the State of Arizona have been paid and that all taxes

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against the property of said estate and other taxes in the State of Arizona have been paid, and that said estate is now ready for distribution and is in condition to be finally settled, distributed and closed.

And it further appearing to the Court, and the Court finding, that said John P. Scheets died testate on or about the 23rd day of June, 1953, at Black River Falls, Wisconsin, being at the time of his death a resident of the County of Kane, State of Illinois, and leaving property and estate in the County of Kane, State of Illinois, and also leaving property and estate in the County of Maricopa, State of Arizona; that said deceased left a Last Will and Testament bearing date the 10th day of October, 1952, which said Last Will and Testament was duly and regularly allowed and admitted to probate in and by the probate court of Kane County, State of Illinois, as the Last Will and Testament of said deceased, and which said Last Will and Testament was thereafter duly and regularly allowed and admitted to probate in and by the Superior Court of the State of Arizona, in and for the County of Maricopa.

That, in and by said Last Will and Testament of said deceased, said deceased gave, devised and bequeathed unto his wife, Lela M. Scheets, all his chattel property including his automobile or automobiles and all household furniture and furnishings of any kind or nature, and that said deceased, in and by said Last Will and Testament, gave, devised and bequeathed unto his said wife, Lela M. Scheets, and his grandson, John P. Scheets, II, a one-third (1/3) part of the rest, residue and remainder of his estate, in trust, however, for the uses and purposes set forth in said Last Will and Testament, and hereinafter set forth, and that, in and by said Last Will and Testament,

said deceased gave, devised and bequeathed to his said wife, Lela M. Scheets, and to his said grandson, John P. Scheets, II, in trust, however, for the uses and purposes set forth in said Last Will and Testament and hereinafter set forth, the rest, residue and remainder of his estate, that is, the rest, residue and remainder of his estate after deducting therefrom the one-third (1/3) part or interest given, devised and bequeathed by said deceased to said Lela M. Scheets and John P. Scheets, II, in trust, as above stated.

And it further appearing to the Court, and the Court finding, that the property and estate to be distributed hereby and hereunder is as follows:

The sum of Three Thousand Nine Hundred Twenty-Four and 97/100 Dollars (\$3,924.97) in cash.

Unofficial Document

The following described property situated in the County of Maricopa, State of Arizona, to-wit:

Lots One (1), Three (3), Five (5), Seven (7), Nine (9), Eleven (11), Thirteen (13), Fifteen (15), Seventeen (17), Nineteen (19) and Twenty-one (21), Block Two (2), East Grier Place, in the City of Phoenix, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, in Book 24 of Maps, Page 27 thereof, said property being known as the Monterey Lodge and being located at 901 South 17th Avenue, Phoenix, Arizona,

The furniture, furnishings and equipment located on the above described real property.

And it further appearing to the Court, and the Court finding that the property described in the inventory and appraisal on file herein and above described was leased by said John P. Scheets, deceased, prior to his death to his son, John J. Scheets, for a term of seven (7) years beginning on the 1st day of October, 1952, and ending on the 1st day of October, 1959, at and for a rental of Twenty-six Thousand Nine Hundred Fifty Dollars (\$26,950.00), payable Three Thousand Eight Hundred

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Fifty Dollars (\$3,850.00) per year in installments as provided in and by said lease, and that by and under said lease the said lessee, John J. Scheets, agreed to pay all the taxes levied against said property of every kind and nature and agreed to keep said property in repair at his own expense and to keep said property insured in the amount of Ninety-five Thousand Dollars (\$95,000.00), and that it was and is provided in and by said lease that the lessor should not be liable for any charges whatsoever against said property and that said rental should be net to the lessor.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED that, in accordance with the Last Will and Testament of said John P. Scheets, deceased, said property and estate be, and the same is hereby, distributed as follows, to wit:

1. To Lela M. Scheets and John P. Scheets, II, as trustees, in trust, the sum of One Thousand Three Hundred Eight and 32/100 Dollars (\$1,308.32) in cash, and an undivided one-third (1/3) interest in and to the real property, furniture, furnishings and equipment above described, for the following uses and purposes and upon the following terms and conditions, to wit:

The said trustees are hereby instructed and directed, upon receiving said sum of One Thousand Three Hundred Eight and 32/100 Dollars (\$1,308.32) from the executors herein, to pay said sum to Lela M. Scheets, the surviving wife of said John P. Scheets, deceased.

Said trustees are further hereby instructed and directed to pay the net income from the undivided one-third (1/3) interest in and to said real estate, furniture, furnishings and equipment above described and the net income from the proceeds of any sale or other disposition thereof and the net income from any investment or reinvestment of such proceeds to said Lela M. Scheets, individually, for a term of twenty (20) years after the death of

said John P. Scheets, deceased, or until her death, if it may occur sooner, and in the event said Lela M. Scheets shall survive the termination of said trust, said trustees are hereby instructed and directed to transfer, convey and pay over to the said Lela M. Scheets, individually, said undivided one-third (1/3) interest in and to said real estate and in and to said furniture, furnishings and equipment, and the proceeds from any sale or other disposition of said undivided one-third (1/3) interest and any investment or reinvestment of any such proceeds, unto her, her heirs and assigns; said trustees are further instructed and directed, in the event said Lela M. Scheets shall die prior to the expiration of said term of twenty (20) years, then upon her death to transfer, convey and pay over the said undivided one-third (1/3) interest in and to said real estate, furniture, furnishings and equipment, and the proceeds from any sale or other disposition thereof, and any investment or reinvestment of any such proceeds, to such person or persons, or to the estate of said Lela M. Scheets, free from all trusts created under said Last Will and Testament, in such manner and in such proportions as said Lela M. Scheets may designate and appoint in and by her Last Will and Testament, and it is hereby adjudged and decreed that such power of appointment conferred upon said Lela M. Scheets shall be exercisable by her exclusively and in all events.

Said trustees are authorized and empowered to sell any part or all of said undivided one-third (1/3) interest in and to said property above described on such terms and at such prices and upon such terms and conditions as they shall deem proper, and are further authorized and empowered to make, execute and deliver any and all deeds and instruments in writing which may be necessary to convey the title thereof, and the purchaser shall not be obligated to look to the application of the proceeds. Said trustees are further directed that, in the event of any such sale, the proceeds of such sale shall be held by said trustees in said trust estate in place of the real estate sold and said moneys shall be invested by said trustees in such investments as are provided by and in accordance with the statutes of the State of Illinois.

In the event of the death of either of said trustees, the survivor of said trustees shall act as sole trustee and carry out the terms of said trust; provided, however, that in the event said trustee, John P. Scheets, II, shall die prior to the termination of said trust, then a suitable trustee shall be named trustee by a court of competent jurisdiction, and said trustee so

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appointed by such court shall have all the powers and rights herein given to said trustees.

Said trustees are authorized and empowered, upon the expiration or termination of the existing lease upon the property above described, or any renewal thereof, to enter into leases for a term not exceeding ten (10) years irrespective of whether the said leases shall or might extend beyond the termination of said trust. Said trustees are further authorized and empowered out of the income arising from said property to pay such costs and repairs and upkeep, insurance and taxes as they may deem it necessary or proper for them to pay.

2. To Lela M. Scheets and John P. Scheets, II, as trustees, in trust, the sum of Two Thousand Six Hundred Sixteen and 65/100 Dollars (\$2,616.65) in cash and an undivided two-thirds (2/3) interest in and to the real property, furniture, furnishings and equipment above described, for the following uses and purposes and upon the following terms and conditions, to-wit:

The said trustees are hereby instructed and directed, upon receiving said sum of Two Thousand Six Hundred Sixteen and 65/100 Dollars (\$2,616.65) from the executors herein, to pay said sum to the following persons and in the following proportions, to-wit: To James N. Scheets, son of John P. Scheets, deceased, thirty-five percent (35%) thereof; to John J. Scheets, son of John P. Scheets, deceased, thirty-five percent (35%) thereof; to John Lowther, grandson of said John P. Scheets, deceased, fifteen percent (15%) thereof; to Robert Lowther, grandson of John P. Scheets, deceased, ten percent (10%) thereof; and to Reed Lowther, grandson of John P. Scheets, deceased, five percent (5%) thereof.

Said trustees are further hereby instructed and directed to pay the net income from the undivided two-thirds (2/3) interest in and to said real estate, furniture, furnishings and equipment above described and the net income from the proceeds from any sale or other disposition thereof, and the net income from any investment or re-investment of such proceeds, to the following persons and in the following proportions, to-wit: To James N. Scheets, son of John P. Scheets, deceased, thirty-five percent (35%) thereof;

to John J. Scheets, son of John P. Scheets, deceased, thirty-five percent (35%) thereof; to John Lowther, grandson of John P. Scheets, deceased, fifteen percent (15%) thereof; to Robert Lowther, grandson of John P. Scheets, deceased, ten percent (10%) thereof; and to Reed Lowther, grandson of John P. Scheets, deceased, five percent (5%) thereof.

Said trustees are further instructed and directed that if the said James N. Scheets shall die prior to the termination of said trust, the income herein directed to be paid to him shall be paid in equal shares to his two sons, James N. Scheets, Jr., and John P. Scheets, II, individually; and that if the said John J. Scheets shall die prior to the termination of said trust the income herein directed to be paid to him shall be paid as follows: To John Lowther, thirty percent (30%) thereof; to Robert Lowther, twenty percent (20%) thereof; to Reed Lowther, twenty percent (20%) thereof; to James N. Scheets, Jr., fifteen percent (15%) thereof; and to John P. Scheets, II, individually, fifteen percent (15%) thereof.

Said trustees are further directed and instructed that said trust shall <sup>Unofficial Document</sup> extend for the term of twenty (20) years from the date of the death of said John P. Scheets, deceased, at which time said trust shall terminate, and said trustees are instructed and directed that upon the termination of said trust, they shall pay over, convey and distribute said undivided two-thirds (2/3) interest in and to said real estate, furniture, furnishings and equipment, and the proceeds from any sale or other disposition thereof, and any investment or reinvestment of any such proceeds, to the following persons in the following proportions, to wit: Thirty-five percent (35%) thereof to James N. Scheets; thirty-five percent (35%) thereof to John J. Scheets; fifteen percent (15%) thereof to John Lowther; ten percent (10%) thereof to Robert Lowther; and five percent (5%) thereof to Reed Lowther.

Said trustees are further instructed and directed that in the event said John J. Scheets shall die prior to the termination of said trust, any share that he would have taken in said trust estate shall be transferred in the following manner: Thirty percent (30%) thereof to John Lowther; twenty percent (20%) thereof to Robert Lowther; twenty percent (20%) thereof to Reed Lowther; fifteen percent (15%) thereof to James N. Scheets, Jr., grandson of said John P. Scheets, deceased; and fifteen percent (15%) thereof to John P. Scheets, II, grandson of John P. Scheets, deceased, individually, and that the descendants of said