

IN THE COURT OF COMMON PLEAS OF LYCOMING COUNTY, PENNSYLVANIA

IN RE: ESTATE OF : ORPHAN'S COURT DIVISION
: :
DONNA K. SHERWOOD : DOCKET NO.: OC-41-23-0360
IRREVOCABLE TRUST DATED :
NOVEMBER 4, 2010 :

OPINION AND ORDER

This matter came before the Court on April 7, 2026, for hearing on the Petition of Charlotte Dudek to sell certain real property to herself. Based upon testimony and exhibits introduced at that hearing, the Court makes the following Findings of Fact and Conclusions of Law:

Findings of Fact:

1. Charlotte Dudek (hereinafter "Trustee") was appointed as the Trustee under the terms of the Irrevocable Trust Agreement dated November 4, 2010, of the Donna K. Sherwood Irrevocable Trust (hereinafter "Trust"), a copy of which is attached to the Petition for Court Approval to Sell Trust Property, filed by Trustee on October 22, 2025 (hereinafter the "Petition").
2. Donna K. Sherwood died on April 17, 2023.
3. The beneficiaries of the Trust are Trustee and her two sisters, Kim M. Pressler and Cindy M. McArdle. All three sisters were daughters of Donna K. Sherwood.
4. The Irrevocable Trust Agreement provides at Article 6, Section 6.01(3), regarding Powers of Fiduciaries, provides that Trustee has the power "To sell at public or private sale, to exchange, or to lease for any period of time, any real or personal property. . . with such prices and upon such terms or conditions as the Trustee deem proper."
5. The property of the Trust includes a 70.53 acre "Lifestyle Farm" situate at 1285 Brouse Road, Montgomery, Lycoming County, Pennsylvania 17752 (hereinafter the "Farm Property.")
6. The Farm Property includes 70.53 acres, a residential dwelling, a barn, and various other structures.
7. Trustee secured an appraisal of the Farm prepared by Earl S. Teribury, a certified farm appraiser, a copy of which is attached to the Petition.
8. Earl S. Teribury testified at the hearing, by Zoom technology. The Court found his testimony to be credible.

9. Earl S. Teribury testified that he valued the farm, as of April 17, 2023, at \$857,000.00 dollars. He also testified that the Farm may have a higher, current value.
10. Trustee seeks to sell the Farm to herself, for the appraised value of \$857,000.00.
11. Kim Pressler and Cindy McArdle obtained an appraisal of the Farm at \$900,000.00.
12. By letter dated July 16, 2025, counsel for Kim Pressler and Cindy McArdle expressed their willingness to sell the Farm to Trustee for the sum of \$900,000.00. Since that date, they have changed their position, and now demand a public auction of the Farm.
13. No current appraisal of the Farm was introduced into evidence at the hearing.

Conclusions of Law:

1. In the case of *Matter of Peterson Family Irrevocable Trust*, 2025 PA Super. 60, 333 A.3d 453, 458 (Pa.Super. 2025), our Superior Court has described the proper method for trust interpretation as follows:

It is hornbook law that the pole star in every trust is the settlor's intent and that intent must prevail.” *In re Est. of Loucks*, 148 A.3d 780, 782 (Pa. Super. 2016) (ellipsis omitted), *citing Est. of Pew*, 440 Pa.Super. 195, 655 A.2d 521, 533 (1994). We ascertain a settlor's intent by examining “all the language within the four corners of the trust instrument, the scheme of distribution[,] and the circumstances surrounding the execution of the instrument.” *Loucks*, 148 A.3d at 782 (original quotation marks omitted), *quoting Farmers Trust Co. v. Bashore*, 498 Pa. 146, 445 A.2d 492, 494 (1982). “Only when the language of the trust is ambiguous or conflicting or when the settlor's intent cannot be garnered from the trust language do the tenets of trust construction become applicable.” *Loucks*, 148 A.3d at 782; *see also McFadden*, 100 A.3d at 650 (stating, “[w]hen a will is ambiguous on its face, a court may consider extrinsic evidence to glean the testator's intent”). In interpreting a settlor's intent, courts “are not permitted to construe a provision in a trust so as to destroy or effectually nullify what has always been considered the inherent basic fundamental right of every owner of property to dispose of his[, or her,] own property as he[, or she,] desires, so long as it is not unlawful.” *Id.* (original quotation marks omitted). “[T]he intent of the settlor, if not contrary to law, must prevail.” *In re Trust B Under Agreement of Richard H. Wells Dated September 28, 1956* (“*In re Trust B*”), — Pa. —, 311 A.3d 1057, 1068 (2024).
2. The Irrevocable Trust Agreement provides at Article 6, Section 6.01(3), regarding Powers of Fiduciaries, that Trustee has the power “To sell at public or private sale, to exchange, or to lease for any period of time, any real or personal property. . . with such prices and upon such terms or conditions as the Trustee deems proper.”
3. The Settlor of the Trust, Donna K. Sherwood, has expressed her intention that Trustee act as the Trustee of the Trust, and has expressed her intention that Trustee have the power to sell real property, including the Farm “upon such terms or conditions as the Trustee deems proper.”

4. Pursuant to 20. Pa.C.S.A. Section 7772(a), Trustee has a fiduciary duty to “administer the Trust solely in the interests of the beneficiaries,” including Kim M. Pressler and Cindy M. McArdle and herself.
5. While a public auction sale might yield a higher purchase price, the eventual outcome of such a sale is speculative. Further, a public auction would likely involve additional cost to the Trust.
6. It is conceivable that Donna K. Sherwood selected Trustee on the basis that she believed that Trustee would act to retain ownership of the Farm within the family. Whatever her motivation, Donna K. Sherwood clearly selected Trustee, and clearly provided Trustee with the power to sell the Farm.
7. Nothing in the Trust document suggests that the power of the Trustee to sell the Farm at private sale would not also include the power to sell the Farm to herself.
8. While the Trust document provides Trustee with the power to sell the Farm, her duty of loyalty pursuant to 20. Pa.C.S.A. Section 7772(a), requires that she pay no less than the fair market value of the Farm. Thus, it is incumbent upon the Court to ensure that any private sale of the Farm by Trustee to herself be at current, fair market value.
9. The Court was not provided any evidence upon which to base a finding of the current fair market value of the Farm.

ORDER

And now, this 10th day of April, 2026, it is hereby Ordered and Directed as follows:

1. The Petition of Charlotte Dudek seeking Court Approval to Sell Trust Property, filed by Trustee on October 22, 2025, is granted in part.
2. Charlette Dudek is directed to promptly secure a written appraisal of the current, fair market value of the Farm, excluding any personal property. The appraisal may be completed by any currently certified appraiser of like real property in Lycoming County, Pennsylvania, acceptable to counsel for all parties. In the absence of an agreement of counsel, the appraisal may be completed by Earl S. Teribury.
3. Charlette Dudek is directed to inform counsel for Kim M. Pressler and Cindy M. McArdle in writing of her intention to either purchase the Farm, or to expose it to public action sale, not later than thirty (30) days after receipt of the new appraisal,
4. In the event that Charlette Dudek elects to purchase the Farm, the purchase price will be the higher of the new appraised value, or \$857,000.00. In that event, the parties will mutually execute a written agreement of sale, pursuant to usual and customary terms, providing for a sale free and clear of any and all encumbrances to title, with closing within a reasonable time.
10. Nothing set forth herein will be regarded as a waiver of any claims of any party in interest, including, but not limited to, claims asserted in the Objections filed by Kim M. Pressler and Cindy M. McArdle, on January 23, 2026.

BY THE COURT:

William P. Carlucci, Judge

cc: Court Administration
Elizabeth White, Esquire
David Sterngold, Esquire