



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Agenda Public Safety Council Committee

Tuesday, January 15, 2019

5:00 PM

Municipal Center

ELECTION OF A CHAIR

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

3. Approval of minutes

[MIN-18:122](#) Minutes for the Public Safety Council Committee meeting on December 18, 2018

Attachments: [Minutes](#)

4. New Business

RESOLUTIONS TO BE INTRODUCED

[RES-18:201](#) RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO CONDEMN PROPERTY LOCATED AT: 1809 Magnolia, OWNER: Greg and Danni Upperman

Sponsors: Code Enforcement

Attachments: [1809 Magnolia inspection report.doc](#)

[1809 Magnolia title search.pdf](#)

[county data.pdf](#)

[pic1.JPG](#)

[pic2.JPG](#)

[pic3.JPG](#)

[pic4.JPG](#)

[pic5.JPG](#)

5. Pending Items

6. Other Business

7. Public Comments

8. Adjournment



Legislation Details (With Text)

File #: MIN-18:122 **Version:** 1 **Name:** Minutes for the Public Safety Council Committee meeting on December 18, 2018
Type: Minutes **Status:** To Be Introduced
File created: 12/19/2018 **In control:** Public Safety Council Committee
On agenda: **Final action:**
Title: Minutes for the Public Safety Council Committee meeting on December 18, 2018
Sponsors:
Indexes:
Code sections:
Attachments: [Minutes](#)

Date	Ver.	Action By	Action	Result
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Minutes for the Public Safety Council Committee meeting on December 18, 2018



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Public Safety Council Committee

Tuesday, December 18, 2018

5:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

Mayor Harold Perrin was in attendance.

Present 3 - David McClain; Mitch Johnson and Gene Vance

Absent 2 - Chris Gibson and Chris Moore

3. Approval of minutes

[MIN-18:113](#)

MINUTES FOR THE PUBLIC SAFETY COMMITTEE MEETING ON NOVEMBER 20, 2018

Attachments: [Public Safety Minutes 11202018.pdf](#)

A motion was made by Councilperson Gene Vance, seconded by Councilperson David McClain, that this matter be Passed. The motion PASSED with the following vote.

Aye: 3 - David McClain; Mitch Johnson and Gene Vance

Absent: 2 - Chris Gibson and Chris Moore

4. New Business

5. Pending Items

6. Other Business

Councilmember Gene Vance said I would like to make it public that I have asked Engineering Director Craig Light and Mayor Harold Perrin to look at the new right turn lane from Windover onto Harrisburg Road to see if there is a necessity for a yield sign or a stop and go sign. We have gotten close to having several wrecks because people just blow through the right turn lane no matter what the traffic signal shows. So, I just want to make it public record that I have asked for that to be studied. Mayor Perrin said it's being studied.

7. Public Comments

James Hinds, 508 Ridgecrest, said I work in the St. Bernards Business Building and

one day outside my window at the corner of Carson and Washington there were three wrecks in one day and I believe one of them involved a city vehicle. One thing that might help is if at the corner of Carson and Monroe it could be converted to a four way stop instead of a three way stop. That might get the attention of whoever is driving on Carson so that they don't pull out on Washington without stopping.

Chairmember Mitch Johnson asked if Mayor Perrin would make note of that and then maybe the Traffic Control Committee could look into that and see if they have a recommendation for us in the future. Mayor Perrin said yes. I sure will, and, also, one of the things that we did do was move all the parking off Washington next to the parking lot at St. Bernards, but I understand what he's saying. We will make a note.

8. Adjournment

A motion was made by Councilperson Gene Vance, seconded by Councilperson David McClain, that this meeting be Adjourned. The motion PASSED with the following vote.

Aye: 3 - David McClain; Mitch Johnson and Gene Vance

Absent: 2 - Chris Gibson and Chris Moore



Legislation Details (With Text)

File #: RES-18:201 **Version:** 1 **Name:** CONDEMN PROPERTY LOCATED AT: 1809 Magnolia, OWNER: Greg and Danni Upperman

Type: Resolution **Status:** To Be Introduced

File created: 12/14/2018 **In control:** Public Safety Council Committee

On agenda: 1/15/2019 **Final action:**

Title: RESOLUTION BY THE CITY COUNCIL OF THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO CONDEMN PROPERTY LOCATED AT: 1809 Magnolia, OWNER: Greg and Danni Upperman

Sponsors: Code Enforcement

Indexes:

Code sections:

Attachments: [1809 Magnolia inspection report.pdf](#)
[1809 Magnolia title search.pdf](#)
[county data.pdf](#)
[pic1.JPG](#)
[pic2.JPG](#)
[pic3.JPG](#)
[pic4.JPG](#)
[pic5.JPG](#)

Date	Ver.	Action By	Action	Result
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RESOLUTION BY THE CITY COUNCIL OF THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO CONDEMN PROPERTY LOCATED AT: 1809 Magnolia, OWNER: Greg and Danni Upperman

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO CONDEMN PROPERTY LOCATED AT: 1809 Magnolia, Parcel# 01-144054-01200, Legal Description: Part of the Northwest Quarter of the Southeast Quarter and part of the Northeast Quarter of the Southeast Quarter all in Section 5, Township 14 North, Range 4 East, described as follows: Beginning at the Northwest corner of the Northeast Quarter of the Southeast Quarter of said Section 5, run thence North 88 degrees 55 feet East 12 feet, run thence South 00 degrees 34 feet West 260 feet, run thence South 88 degrees 55 feet West 12 feet, run thence South 00 degrees 34 feet West 35.1 feet, run thence North 38 degrees 04 feet West along a ditch, 207.6 feet, run thence North 17 degrees 20 feet West along said ditch, 134.5 feet, run thence North 88 degrees 55 feet East 171.0 feet to the true point of beginning, containing 0.76 acres, more or less. Subject to a 30 foot easement along the North side of Magnolia Road. Also subject to any other easements that may affect said lands. OWNER: Greg and Danni Upperman

WHEREAS, the above property has been inspected and has been determined unsuited for human habitation.

WHEREAS, all of the stipulations have been met in the condemnation process to proceed with the condemnation of this property.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JONESBORO,

ARKANSAS THAT: The city should proceed with the condemnation of the property located at: 1809 Magnolia Road



DEPARTMENT OF INSPECTION AND CODE ENFORCEMENT

RESIDENTIAL BUILDING INSPECTION REPORT

DATE OF INSPECTION:	10-15-18					
PROPERTY ADDRESS:	1809 MAGNOLIA					
PROPERTY OWNER:	GREG AND DANNI UPPERMAN					
OCCUPIED:	YES	NO	XX			
BUILDING ELEMENT	1 thru 5 CONDITION					NOTES & COMMENTS
	VERY POOR				VERY GOOD	
Foundation Type: Piers Solid Slab				4		HOUSE APPEARS TO HAVE BEEN VACANT FOR SOME TIME, BRICK HOME WITH A SLAB FOUNDATION IN GOOD SHAPE
Front Porch Type: Wood Concrete			3			CONCRETE PORCH APPEARS TO BE IN GOOD SHAPE
Exterior Doors and Windows Type: Wood Vinyl Aluminum		2				DOORS NEED TO BE REPLACED, WINDOWS ARE MISSING AND NEED REPLACED
Roof Underlay Type: OSB/ Plywood 1x6 metal		2				PLYWOOD UNDERLAY IN BAD SHAPE IN SEVERAL AREAS NEED REPLACED OR REPAIRED
Roof Surface Type: Metal 3-Tab Shingles Dimensional Shingles		2				SHINGLES IN BAD SHAPE , HOLES IN SEVERAL AREAS , WATER DAMAGED
Chimney						N/A
Siding Type: Wood Lap Vinyl Masonite Aluminum			3			BRICK SIDING, GABLES AND SOFITS ARE VINYL SIDING AND NEEDS REPAIRS
Fascia and Trim Type Wood Vinyl Coil			3			WOOD COVERED IN VINYL NEEDS REPAIRS
Interior Doors Type: Hollow Wood Solid Wood			3			SOME NEED REPLACED DUE TO WATER DAMAGE

Interior Walls Type Wood Frame Metal Frame Sheetrock Stucco			3			WOOD FRAMED WALLS , NEEDS REPAIRS AT WATER DAMAGED AREAS AND WALLS
Ceilings Type: Sheetrock Stucco Ceiling Tile		2				SHEETROCK CEILINGS ARE DAMAGED THROUGHOUT FROM WATER DAMAGE AND NEED REPLACED
Flooring Underlay Type: 1x6 center match OSB Plywood			3			CONCRETE SLAB IN FAIR SHAPE
Flooring Surfaces Type: Carpet Linoleum Hard Wood Vinyl				4		ALL TYPES OF FLOOR COVERING ALL NEEDS REPLACED FROM WATER DAMAGE
Electrical			3			MAY NEED UPGRADES
Heating			3			MAY NEED UPGRADES
Plumbing			3			NO TO CODE
In my opinion, this structure		is	<input checked="" type="checkbox"/>	is not		Suitable for human habitation.
In my opinion this structure	<input checked="" type="checkbox"/>	is		is not		Physically feasible for rehabilitation.
In my opinion, this structure		is	<input checked="" type="checkbox"/>	is not		Economically feasible for rehabilitation.
In my opinion, this structure	<input checked="" type="checkbox"/>	is		is not		A public safety hazard and should be condemned immediately.
EMERGENCY ACTION IS WARRANTED: YES <input checked="" type="checkbox"/> NO						
HOUSE WAS NOT SECURED AT TIME OF INSPECTION						
Tim Renshaw, Chief Building Inspector						Other Signature
						
Municipal Building, 300 South Church Jonesboro, Ar./ Phone 870-336-7194/ Fax 870-336-1358						



INVOICE

Invoice #: 240299
Invoice Date: 11/6/2018
File Number: 18-075354-300

To:
City of Jonesboro - Code Enforcement
Attention: Michael Tyner
410 W. Washington
Jonesboro, AR 72401

From:
Lenders Title Company
Barbara J. Howard
2207 Fowler Avenue
Jonesboro, AR 72401
870-935-7410

In Re: **Greg Upperman and Danni Upperman**

Description	Amount	Total
Limited Title Search	\$100.00	\$100.00
	Total	\$100.00

Thank you for your business!

Please Remit To:
Lenders Title Company
2207 Fowler Avenue
Jonesboro, AR 72401
870-935-7410



2207 Fowler Avenue
Jonesboro, Arkansas 72401
Phone: 870-935-7410
FAX: 870-933-7222

LIMITED TITLE SEARCH

Date: November 6, 2018
Prepared For: City of Jonesboro-Code Enforcement
File Number: 18-075354-300

Lenders Title Company hereby certifies that the records of the Circuit Clerk of Craighead County, Arkansas have been examined as to the following described property from June 3, 2008 at 12:42:48 p.m. to October 22, 2018 at 7:30 a.m.:

That part of the Northwest Quarter of the Southeast Quarter and part of the Northeast Quarter of the Southeast Quarter all in Section 5, Township 14 North, Range 4 East, described as follows: Beginning at the Northwest corner of the Northeast Quarter of the Southeast Quarter of said Section 5, run thence North 88° 55' East 12.0 feet, run thence South 00° 34' West 260.0 feet, run thence South 88° 55' West 12.0 feet, run thence South 00° 34' West 35.1 feet, run thence North 38° 04' West along a ditch, 207.6 feet, run thence North 17° 20' West along said ditch, 134.5 feet, run thence North 88° 55' East 171.0 feet to the true point of beginning, containing 0.76 acres, more or less. Subject to a 30 foot easement along the North side of Magnolia road. Also subject to any other easements that may affect said lands.

The following instruments were found of record during the aforementioned period which affect the above described property:

Warranty Deed executed by Bertha Glasgow, a single person, to Greg Upperman and Danni Upperman, husband and wife, dated June 2, 2008, filed June 3, 2008 and recorded in Deed Book 775 page 173 in the records of Jonesboro, Craighead County, Arkansas.

Deed of Trust executed by Greg Upperman and Danni Upperman, husband and wife, to Reynie Rutledge, Trustee, First Security Bank, Beneficiary, dated June 2, 2008, filed June 3, 2008 and recorded in Mortgage Book 1351 page 742 in the records of Jonesboro, Craighead County, Arkansas.

Release Deed executed by Chase Home Finance LLC successor by merger to Chase Manhattan Mortgage Corporation to Bertha Glasgow, filed June 26, 2008, recorded June 26, 2008 and recorded in Deed Book 776 page 785 in the records of Jonesboro, Craighead County, Arkansas

Real Estate Mortgage executed by John G. Upperman and Dannie Upperman to BancorpSouth Bank, dated February 26, 2016, filed March 4, 2016 and recorded as Document No. JB2016R-003135 in the records of Jonesboro, Craighead County, Arkansas.

Notice of Tax Lien dated August 28, 2018, filed August 30, 2018 and recorded as Document No. 2018R-017335 in the records of Jonesboro, Craighead County, Arkansas.

Notice to Release Lien dated October 10, 2018, filed October 11, 2018 and recorded as Document No. 2018R-020412 in the records of Jonesboro, Craighead County, Arkansas.

Default Judgment against Willie H. Pearson and Aleta Pearson and in favor of John G. Upperman and Dannie J. Upperman, dated May 23, 2016, filed May 26, 2016 and recorded as Document JB2016J-001201 in the records of Jonesboro, Craighead County, Arkansas.

Suit pending wherein Greg Upperman and Danni Upperman are Plaintiffs and Kent E. Arnold and Arnold Group Real Estate are Defendants, filed September 1, 2017 in the records of Jonesboro, Craighead County, Arkansas, Case No. 16CV-17-657.

Judgments have been checked on Greg Upperman and Danni Upperman during the aforementioned period, and the following were found:

None.

If tax information was requested, please see the attached tax certificate for the real property tax information as to the above described property.

This Limited Title Search is intended for the exclusive use of the addressee for informational purposes only. Lenders Title Company is not expressing or attempting to express an opinion as to the validity of the title to the above described property nor as to the validity of any encumbrances, both recorded and unrecorded, that pertain to the above described property. While Lenders Title Company believes that the information stated above is accurate, no assurances are made nor is any liability assumed by Lenders Title Company for any incorrect information stated herein or omitted herefrom. For assurances as to the title to the above described property, addressee should obtain a title insurance policy.

Sincerely,

Lenders Title Company



By: Barbara J. Howard

Type of Instrument: Warranty Deed
Grantor: Bertha Glasgow
Grantees: Greg Upperman and Danni Upperman

This Instrument Prepared By:
Mixon Parker & Hurst PLC
Attorneys at Law
505 Union
Jonesboro, Arkansas 72401
At the request and on behalf of
Professional Title Services of Arkansas, LLC

After Recording Return to:
Professional Title Services of Arkansas, LLC
906 A Southwest Drive
Jonesboro, Arkansas 72401

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

That **Bertha Glasgow, a single person, Grantor**, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, in hand paid by **Greg Upperman and Danni Upperman, husband and wife, Grantees**, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell and convey unto the said **Grantees**, and unto their heirs and assigns forever, the following described real property situated in Craighead County, Arkansas, to wit:

The following lands in Craighead County, Arkansas, to-wit: That part of the Northwest Quarter of the Southeast Quarter and part Northeast Quarter of the Southeast Quarter all in Section 5, Township 14 North, Range 4 East, described as follows: Beginning at the Northwest corner of the Northeast Quarter of the Southeast Quarter of said Section 5; run thence North 88° 55' East, 12.0 feet; run thence South 00° 34' West, 260.0 feet; run thence South 88° 55' West, 12.0 feet; run thence South 00° 34' West 35.1 feet; run thence North 38° 04' West along a ditch, 207.6 feet; run thence North 17° 20' West along said ditch, 134.5 feet; run thence North 88° 55' East, 171.0 feet to the true point of beginning, containing 0.76 acres, more or less. Subject to a 30 foot easement along the North side of Magnolia Road. Also Subject to any other easements that may affect said lands.

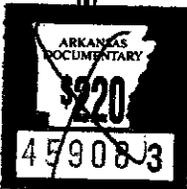
Subject to all matters of record or fact.

Such property believed to have a physical address of 1809 Magnolia, Jonesboro, Arkansas.

TO HAVE AND TO HOLD said property unto the said **Grantees**, and unto their heirs and assigns forever, with all tenements, appurtenances and hereditaments hereunto belonging. And **Grantor** hereby covenants with the said **Grantees** that **Grantor** will forever warrant and defend the title to said lands against all claims whatsoever. And **Grantor**, for and in consideration of the said sum of money, does hereby release and relinquish unto the said **Grantees**, all my right of dower and curtesy and homestead in and to the said lands.

WITNESS my hand and seal this 2nd day of June, 2008.

Bertha Glasgow
Bertha Glasgow

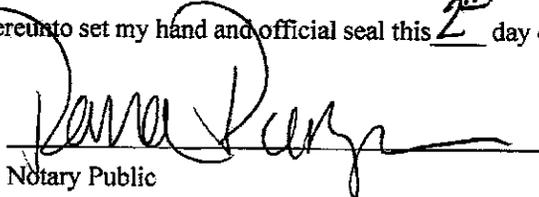


ACKNOWLEDGMENT

STATE OF ARKANSAS
COUNTY OF CRAIGHEAD

On this day before me, the undersigned, a Notary Public, (or before any officer within this State or without the State now qualified under existing law to take acknowledgments), duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named **Bertha Glasgow**, to me personally well known, stated and acknowledged that she had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 2nd day of June, 2008.


Notary Public

My Commission Expires:

06-10-12



AMOUNT OF TAX \$429.00

I certify under penalty of false swearing that at least the legally correct amount of documentary stamps have been placed on this instrument.


Grantee or Grantee's Agent

Grantee's Address:

1809 Magnolia
Jonesboro AR 72401

DEED BK 775 PG 173 - 174
DATE 06/03/2008
TIME 12:42:48 PM
RECORDED IN
OFFICIAL RECORDS OF
CRAIGHEAD COUNTY
ANN HUDSON
CIRCUIT CLERK
M. J. [Signature], D.C.
RECEIPT# 176467

This Instrument Prepared By:

FIRST SECURITY BANK
314 NORTH SPRING STREET
SEARCY, AR 72143
(501) 279-3461

After Recording Return To:
FIRST SECURITY BANK
ATTN: KATHY PARKER P. O. BOX 1906
MOUNTAIN HOME, AR 72654-1906
ATTN: LISA DAVIS
(870) 424-8067

[Space Above This Line For Recording Data]

DEED OF TRUST

UPPERMAN
Loan #: 0803239
MIN: 100241200003052886
PIN: 01-144054-01200
Case #: 031-3571113-703

THIS DEED OF TRUST ("Security Instrument") is made on JUNE 2, 2008. The trustor is GREG UPPERMAN AND DANNI UPPERMAN, HUSBAND AND WIFE ("Borrower"), whose address is 1809 MAGNOLIA ROAD, JONESBORO, AR 72401-8326. The trustee is REYNIE RUTLEDGE ("Trustee"), whose address is 314 NORTH SPRING STREET, SEARCY, AR 72143. The beneficiary is Mortgage Electronic Registration Systems, Inc. ("MERS") (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns). MERS is organized and existing under the laws of Delaware, and has an address and telephone number of Post Office Box 2026, Flint, Michigan 48501-2026, telephone (888)679-MERS. FIRST SECURITY BANK, which is organized and existing under the laws of AR, and whose address is 314 NORTH SPRING STREET, SEARCY, AR 72143 ("Lender"). Borrower owes Lender the principal sum of ONE HUNDRED THIRTY TWO THOUSAND THREE HUNDRED TWENTY THREE Dollars (U.S. \$132,323.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on JULY 1, 2038. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in CRAIGHEAD County, Arkansas:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A".
which has the address of 1809 MAGNOLIA ROAD, JONESBORO, Arkansas 72401-8326 ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees

that MERS holds only legal title to the interests granted by Borrower in this Security Instrument; but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing or canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest and Late Charge. Borrower shall promptly pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. Monthly Payment of Taxes, Insurance and Other Charges. Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under Paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Section 2601 *et seq.* and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess Funds required by RESPA. If the amounts of the funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may so notify Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. Application of Payments. All payments under Paragraphs 1 and 2 shall be applied by Lender as follows:

First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note; and

Fifth, to late charges due under the Note.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the

extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in Paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in Paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

6. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in Paragraph 3, and then to prepayment of principal. Any application of proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in Paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

7. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in Paragraph 2.

Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the Note rate, and at the option of Lender shall be immediately due and payable.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower; (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain

priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

9. Grounds for Acceleration of Debt.

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including section 341(d) of the Garn-St Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent) and
- (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(e) **Mortgage Not Insured.** Borrower agrees that should this Security Instrument and the Note are not to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorney's fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or

make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

14. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

15. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

16. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this Paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

17. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this Paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. Foreclosure Procedure. If Lender requires immediate payment in full under Paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Paragraph 18, including, but not limited to, reasonable attorney's fees and costs of title evidence.

Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Paragraph 9 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than

30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

It is understood and agreed to by Borrower that this Security Instrument is subject to the foreclosure procedures of the Arkansas Statutory Foreclosure Law, Act 53 of 1987, as amended from time to time (the "Act"), for borrower's breach of any covenant or agreement in this Security Instrument. In furtherance and not in limitation of the provisions of Paragraph 11, any forbearance by Lender in exercising any right to remedy under the Act shall not be a waiver of or preclude acceleration and the exercise of any right or remedy under the Act, or at the option of Lender, use of judicial foreclosure proceedings.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Paragraph 18 or applicable law.

19. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to the Borrower. Borrower shall pay any recordation costs.

20. Waivers. Borrower waives all rights of homestead exemption in, and statutory redemption of, the Property and all right to appraisalment of the Property and relinquishes all rights of curtesy and dower in the Property.

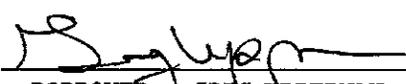
21. Substitute Trustee. Lender, at its option and with or without cause, may from time to time appoint a successor Trustee in accordance with Act 53 of 1987, as amended from time to time.

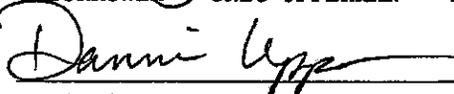
22. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

The Following Rider(s) are to be executed by Borrower and are attached hereto and made a part thereof [check box as applicable]:

- Condominium Rider
- Growing Equity Rider
- Adjustable Rate Rider
- Planned Unit Development Rider
- Graduated Payment Rider
- Other(s) [specify]

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

 June 2, 2008
 - BORROWER - GREG UPPERMAN - DATE -

 June 2, 2008
 - BORROWER - DANNI UPPERMAN - DATE -

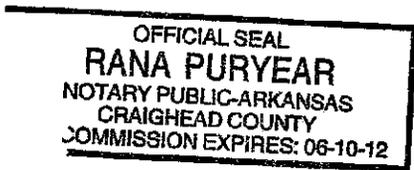
[Space Below This Line For Acknowledgment]

STATE OF ARKANSAS

COUNTY OF CRAIGHEAD

On this the 2ND day of JUNE, 2008, before me, Greg Upperman and Danni Upperman the undersigned officer, personally appeared GREG UPPERMAN AND DANNI UPPERMAN, HUSBAND AND WIFE known to me (or satisfactorily proven) to be the person(s) whose name(s) he/she/they subscribed to the within instrument and acknowledged that he/she/they executed the same for the consideration and purposes therein contained.

In witness whereof I hereunto set my hand and official seal



Rana Puryear
Notary Public

My Commission Expires:

Mail Tax Statement To:
COUNTRYWIDE BANK, FSB
P.O. BOX 10219, VAN NUYS, CA 91410-0219

EXHIBIT A

The following lands in Craighead County, Arkansas, to-wit: That part of the Northwest Quarter of the Southeast Quarter and part Northeast Quarter of the Southeast Quarter all in Section 5, Township 14 North, Range 4 East, described as follows: Beginning at the Northwest corner of the Northeast Quarter of the Southeast Quarter of said Section 5; run thence North 88° 55' East, 12.0 feet; run thence South 00° 34' West, 260.0 feet; run thence South 88° 55' West, 12.0 feet; run thence South 00° 34' West 35.1 feet; run thence North 38° 04' West along a ditch, 207.6 feet; run thence North 17° 20' West along said ditch, 134.5 feet; run thence North 88° 55' East, 171.0 feet to the true point of beginning, containing 0.76 acres, more or less. Subject to a 30 foot easement along the North side of Magnolia Road. Also Subject to any other easements that may affect said lands.

MTG BK 1351 PG 742 - 749
 DATE 06/03/2008
 TIME 12:42:49 PM
 RECORDED IN
 OFFICIAL RECORDS OF
 CRAIGHEAD COUNTY
 ANN HUDSON
 CIRCUIT CLERK
 _____, D.C.
 RECEIPT# 176467

Return to:
BANCORPSOUTH LOAN OPS.
PO BOX 4360
TUPELO, MS 38803-4360
662-820-3600

This instrument was prepared by:
Cole Brazil
PO BOX 4360 TUPELO, MS 38803-4360



* JB 2016R - 003135 14 *

JB2016R-003135
CANDACE EDWARDS
CRAIGHEAD COUNTY

RECORDED ON:
03/04/2016 02:44PM



[Handwritten Signature] D. C.

State of Arkansas

Space Above This Line For Recording Data

REAL ESTATE MORTGAGE

(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage is 2/26/2016 and the parties and their addresses are as follows:

MORTGAGOR:

(Grantor)

JOHN G UPPERMAN and DANNI UPPERMAN
702 SASSAFRAS DR
STARKVILLE, MS 39759-0000

- Refer to the Addendum which is attached and incorporated herein for additional Mortgagors.

LENDER:

(Grantee)

BANCORPSOUTH BANK
PO BOX 4360
TUPELO, MS 38803-4360

Security Instrument-Commercial/Agricultural-AR
VMP® Bankers Systems™
Walters Kluwer Financial Services © 1993, 2007
QFS v 8.0.1 1/13/2016 A002U82354
L201602030015423H02MORTGAGE

AGCO-RESI-AR 7/12/2007
VMPC595(AR) (0707).00
Initials: *[Handwritten Initials]* Page 1 of 13



2. **MORTGAGE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (hereafter defined), Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
See Exhibit A annexed hereto and made a part hereof as if copied herein verbatim.

The property is located in CRAIGHEAD at _____
(County)
1809 MAGNOLIA RD, JONESBORO, Arkansas 72401
(Address) (City) (Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers which are not directly related to crop production proceeds, and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property"). The term Property also includes, but is not limited to, any and all water wells, water, ditches, reservoirs, reservoir sites and dams located on the real estate and all riparian and water rights associated with the Property, however established.

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount of the Secured Debt (hereafter defined) secured by this Mortgage at any one time shall not exceed \$ This mortgage is unlimited in amount secured. This limitation of amount does not include interest, loan charges, commitment fees, brokerage commissions, attorneys' fees and other charges validly made pursuant to this Mortgage and does not apply to advances (or interest accrued on such advances) made under the terms of this Mortgage to protect Lender's security and to perform any of the covenants contained in this Mortgage. Future advances are contemplated and, along with other future obligations, are secured by this Mortgage even though all or part may not yet be advanced. Nothing in this Mortgage, however, shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment would need to be agreed to in a separate writing.
4. **SECURED DEBT DEFINED.** The term "Secured Debt" includes, but is not limited to, the following:
- A. The promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all extensions, renewals, modifications or substitutions (Evidence of Debt) (e.g., borrower's name, note amount, interest rate, maturity date):
A loan dated 2/26/2016 in the principal amount of \$70,359.00 that matures on 3/10/2031
Given by CORNERSTONE ALLIANCE LLC

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Mortgage whether or not this Mortgage is specifically referred to in the evidence of debt, and whether or not such future advances or future obligations are incurred for any purpose that was related or unrelated to the purpose of the Evidence of Debt.
- C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Mortgage, plus interest at the same rate provided in the Evidence of Debt.
- E. Mortgagor's performance under the terms of any instrument evidencing a debt by Mortgagor to Lender and any Mortgage securing, guarantying, or otherwise relating to the debt.

If more than one person signs this Mortgage as Mortgagor, each Mortgagor agrees that this Mortgage will secure all future advances and future obligations described above that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. This Mortgage will not secure any other debt if Lender fails, with respect to such other debt, to make any required disclosure about this Mortgage or if Lender fails to give any required notice of the right of rescission.

- 5. **PAYMENTS.** Mortgagor agrees to make all payments on the Secured Debt when due and in accordance with the terms of the Evidence of Debt or this Mortgage.
- 6. **WARRANTY OF TITLE.** Mortgagor covenants that Mortgagor is lawfully seized of the estate conveyed by this Mortgage and has the right to grant, bargain, convey, sell, and mortgage the Property and warrants that the Property is unencumbered, except for encumbrances of record.
- 7. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Mortgage. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses which Mortgagor may have against parties who supply labor or materials to improve or maintain the Property.
- 8. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust or security agreement that created a prior security interest or encumbrance on the Property and that may have priority over this Mortgage, Mortgagor agrees:
 - A. To make all payments when due and to perform or comply with all covenants.
 - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
 - C. Not to make or permit any modification or extension of, and not to request or accept any future advances under any note or agreement secured by, the other mortgage, deed of trust or security agreement unless Lender consents in writing.
- 9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of any lien, encumbrance, transfer, or sale, or contract for any of these on the Property. However, if the Property includes Mortgagor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591 et seq.), as applicable. For the purposes of this paragraph, the term "Property" also includes any interest to all or any part of the Property. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Mortgage is released.
- 10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if (1) a beneficial interest in Mortgagor is sold or transferred; (2) there is a change in either the identity or number of members of a partnership; or (3) there is a change in ownership of more than 25 percent

of the voting stock of a corporation. However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Mortgage.

11. ENTITY WARRANTIES AND REPRESENTATIONS. If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall be continuing as long as the Secured Debt remains outstanding:

- A. Mortgagor is an entity which is duly organized and validly existing in the Mortgagor's state of incorporation (or organization). Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
- B. The execution, delivery and performance of this Mortgage by Mortgagor and the obligation evidenced by the Evidence of Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
- C. Other than disclosed in writing Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Evidence of Debt is satisfied.

12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION. Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will give Lender prompt notice of any loss or damage to the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor will not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the uses which may be made of the Property or any part of the Property, without Lender's prior written consent. Mortgagor will comply with all legal requirements and restrictions, whether public or private, with respect to the use of the Property. Mortgagor also agrees that the nature of the occupancy and use will not change without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor or any other owner made under any law or regulation regarding use, ownership and occupancy of the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Mortgage. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

13. AUTHORITY TO PERFORM. If Mortgagor fails to perform any of Mortgagor's duties under this Mortgage, or any other mortgage, deed of trust, lien or other security interest that has priority over this Mortgage, Lender may, without notice, perform the duties or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may do whatever is necessary to protect Lender's security interest in the Property. This may include completing the construction.

Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Mortgage. Any amounts paid by Lender for insuring, preserving or otherwise protecting the Property

and Lender's security interest will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time according to the terms of the Evidence of Debt.

14. ASSIGNMENT OF LEASES AND RENTS. Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).
- B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

15. CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

16. DEFAULT. Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;

- B. A breach of any term or covenant in this Mortgage, any prior mortgage or any construction loan agreement, security agreement or any other document evidencing, guarantying, securing or otherwise relating to the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, appointment of a receiver, insolvency, or application of any debtor relief law to or of Mortgagor or any person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

17. REMEDIES ON DEFAULT. In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure, mediation notices or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Mortgage in a manner provided by law if this Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the Secured Debt, this Mortgage and any related documents including without limitation, the power to sell the Property. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether expressly set forth or not. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

18. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS. Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Mortgage. Mortgagor will also pay on demand all of Lender's expenses incurred in collecting, insuring, preserving or protecting the Property or in any inventories, audits, inspections or other examination by Lender in respect to the Property. Mortgagor agrees to pay all costs and expenses incurred by Lender in enforcing or protecting Lender's rights and remedies under this Mortgage, including but not limited to reasonable attorneys' fees (as determined under A.C.A. 16-22-308), court costs, and other legal expenses. Once the Secured Debt is fully and finally paid, Lender agrees to release this Mortgage and Mortgagor agrees to pay for any recordation costs. All such amounts are due on demand and will bear interest from the time of the advance at the same rate provided in the Evidence of Debt and as permitted by law.

19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) "Environmental Law" means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) "Hazardous Substance" means any toxic, radioactive or hazardous material, waste, pollutant or

contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law. Mortgagor represents, warrants and agrees that, except as previously disclosed and acknowledged in writing:

- A. No Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- F. There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Mortgage and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Mortgage without prejudice to any of Lender's rights under this Mortgage.
- L. Notwithstanding any of the language contained in this Mortgage to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Mortgage regardless of any

passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

20. CONDEMNATION. Mortgagor will give Lender prompt notice of any action, real or threatened, by private or public entities to purchase or take any or all of the Property, including any easements, through condemnation, eminent domain, or any other means. Mortgagor further agrees to notify Lender of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part of it. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims and to collect and receive all sums resulting from the action or claim. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Mortgage. This assignment of proceeds is subject to the terms of any prior security agreement.

21. INSURANCE. Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the improvements now existing or hereafter built on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. What lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Mortgage.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "lender loss payee clause." Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall promptly give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Mortgagor.

Unless Lender and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the Secured Debt, whether or not then due, with any excess paid to Mortgagor. If Mortgagor abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay the Secured Debt whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of scheduled payments or change the amount of the payments. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

- 22. NO ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.
- 23. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem necessary. Mortgagor warrants that all financial statements and information Mortgagor provides to Lender are or will be accurate, correct, and complete. Mortgagor agrees to sign, deliver, and file as Lender may reasonably request any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Mortgage and Lender's lien status on the Property. If Mortgagor fails to do so, Lender may sign, deliver, and file such documents or certificates in Mortgagor's name and Mortgagor hereby irrevocably appoints Lender or Lender's agent as attorney in fact to do the things necessary to comply with this section.
- 24. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Mortgage are joint and individual. If Mortgagor signs this Mortgage but does not sign the Evidence of Debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. Mortgagor agrees that Lender and any party to this Mortgage may extend, modify or make any change in the terms of this Mortgage or the Evidence of Debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Mortgage. The duties and benefits of this Mortgage shall bind and benefit the successors and assigns of Mortgagor and Lender. If this Mortgage secures a guaranty between Lender and Mortgagor and does not directly secure the obligation which is guarantied, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation including, but not limited to, anti-deficiency or one-action laws.
- 25. APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Mortgage is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Mortgage is complete and fully integrated. This Mortgage may not be amended or modified by oral agreement. Any section or clause in this Mortgage, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section or clause of this Mortgage cannot be enforced according to its terms, that section or clause will be severed and will not affect the enforceability of the remainder of this Mortgage. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Mortgage are for convenience only and are not to be used to interpret or define the terms of this Mortgage. Time is of the essence in this Mortgage.
- 26. NOTICE.** Unless otherwise required by law, any notice to Mortgagor shall be given by delivering it or by mailing it by first class mail to Mortgagor's address on page 1 of this Mortgage, or to any other address that Mortgagor has designated in writing. Mortgagor will give any notice to Lender by mailing it first class to Lender's address on page 1 of this Mortgage, or to any other address that Lender has designated in writing. Any notice shall be deemed to have been given to either party when given in the manner stated above.
- 27. WAIVERS.** To the extent applicable, Mortgagor waives all rights relating to appraisalment, sale, redemption and homestead under the laws of the State of Arkansas, especially under 18-49-106. To the extent applicable, Mortgagor relinquishes all rights of curtesy and dower in the Property.
- 28. CONSTRUCTION LOAN.** This Mortgage secures a construction loan. Mortgagor agrees that Lender is not trustee for the benefit of the contractor, subcontractor or materialmen and that such contractor, subcontractor or materialmen do not have equitable liens on the loan proceeds and that they do not have third-party beneficiary status to any of the loan proceeds. Lender is obligated to make the construction advances. Except as indicated in the Description of Non-Construction Advances subsection, the construction advances shall be applied by Mortgagor to the payment of interest, fees, expenses, labor and material costs incurred in the construction of the improvements,

and/or remodeling and repairs of the existing improvements, located on the Property. Notice is hereby given that to the full extent permitted under Ark. Stat. Ann. =18-44-110, the lien of this Mortgage will have priority over any statutory liens on account of labor and materials supplied for construction.

Description of Non-Construction Advances.

29. U.C.C. PROVISIONS. If checked, the following are applicable to, but do not limit, this Mortgage:

- Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.
- Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber and minerals located on the Property as well as all rents, issues and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
- Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property. This security interest includes all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property. The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.

30. OTHER TERMS. If checked, the following are applicable to this Mortgage:

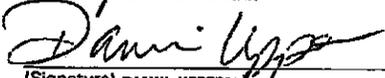
- Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Mortgage will remain in effect until released.
- Agricultural Property.** Mortgagor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Mortgagor is an individual or entity allowed to own agricultural land as specified by law.
- Separate Assignment.** The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.

Additional Terms.

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Mortgage and in any attachments that Mortgagor has signed. Mortgagor also acknowledges receipt of a copy of this Mortgage on the date stated above on Page 1.

Actual authority was granted to the parties signing below by resolution signed and dated _____

Entity Name: _____ Entity Name: _____

	2-26-16		
(Signature) JOHN G UPPERMAN	(Date)	(Signature)	(Date)
	2/26/16		
(Signature) DANNI UPPERMAN	(Date)	(Signature)	(Date)

Security Instrument-Commercial/Agricultural-AR
VMP® Bankers Systems™
Wolters Kluwer Financial Services © 1993, 2007

AGCO-RESI-AR 7/12/2007
VMPC595(AR) (0707).00
Initials:  Page 11 of 13

Refer to the Addendum which is attached and incorporated herein for additional Mortgagors, signatures and acknowledgments.

ACKNOWLEDGMENT:

(Individual) STATE OF Mississippi, COUNTY OF OKtibblehew) ss.
On this 26th day of February 2016, before me, the
undersigned officer, personally appeared John G Upperman and
Danni Upperman

known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she/they executed the same for the purposes and consideration therein contained.

My commission expires:



Janet M. Turman
(Notary Public)

(Business or Entity Acknowledgment)

State of Mississippi
County of Oktibbeha

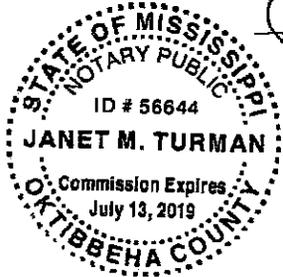
On this 26th day of February 2016, before me, Janet M. Turman, a Notary Public, (or before any officer within this State or without the State now qualified under existing law to take acknowledgments), duly commissioned and acting, within and for said County and State, appeared in person the within named John G. Upperman and Dann Upperman

(being the person or persons authorized by said LLC to execute such instrument, stating their respective capacities in that behalf), to me personally well known, who stated that they were the managers/members

of the LLC, a LLC, and were duly authorized in their respective capacities to execute the foregoing instruments for and in the name and behalf of said company, and further stated and acknowledged that they had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 26th day of Feb 2016.
My commission expires:

Janet M. Turman
(Notary Public)



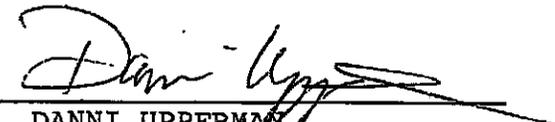
Lender telephone no. 662-323-9393
Person to release lien (name and title) ANY BANK OFFICER, STARKVILLE, MS

EXHIBIT "A"

That part of the Northwest Quarter of the Southeast Quarter and part of the Northeast Quarter of the Southeast Quarter all in Section 5, Township 14 North, Range 4 East, described as follows: Beginning at the Northwest corner of the Northeast Quarter of the Southeast Quarter of said Section 5, run thence North 88° 55' East 12.0 feet, run thence South 00° 34' West 260.0 feet, run thence South 88° 55' West 12.0 feet, run thence South 00° 34' West 35.1 feet, run thence North 38° 04' West along a ditch, 207.6 feet, run thence North 17° 20' West along said ditch, 134.5 feet, run thence North 88° 55' East 171.0 feet to the true point of beginning, containing 0.76 acres, more or less. Subject to a 30 foot easement along the North side of Magnolia road. Also subject to any other easements that may affect said lands.



JOHN G UPPERMAN



DANNI UPPERMAN



When recorded return to:
CHASE HOME FINANCE LLC
C/O NTC 2100 Alt. 19 North
Palm Harbor, FL 34683

Loan No. 13346986

RELEASE DEED

KNOW ALL MEN BY THESE PRESENTS that CHASE HOME FINANCE LLC SUCCESSOR BY MERGER TO CHASE MANHATTAN MORTGAGE CORPORATION hereby acknowledges that it is the owner and holder of the indebtedness secured by a Mortgage executed by BERTHA GLASGOW to CHASE MANHATTAN MORTGAGE CORPORATION dated 11/02/1999 and recorded in Book 786 , page 400 as Document No. in the register's Office for CRAIGHEAD WEST County, Arkansas and further acknowledged payment of said indebtedness in full and hereby releases the lien of said Deed of Trust.

SEE ATTACHED EXHIBIT A

THIS 16TH DAY OF JUNE IN THE YEAR 2008

CHASE HOME FINANCE LLC SUCCESSOR BY MERGER TO CHASE MANHATTAN MORTGAGE CORPORATION

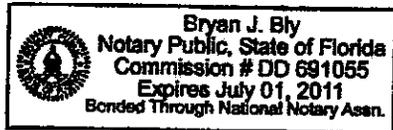
By: [Signature]
CRYSTAL MOORE VICE PRESIDENT

Attest: [Signature]
ELSA MCKINNON ASST. SECRETARY

STATE OF FLORIDA COUNTY OF Pinellas

The foregoing instrument was acknowledged before me THIS 16TH DAY OF JUNE IN THE YEAR 2008 by CRYSTAL MOORE and ELSA MCKINNON , personally known to me to be the VICE PRESIDENT of CHASE HOME FINANCE LLC SUCCESSOR BY MERGER TO CHASE MANHATTAN MORTGAGE CORPORATION , a NEW JERSEY corporation, on behalf of the corporation.

[Signature]
BRYAN J. BLY Notary Public
My commission expires: 07/01/2011



Prepared By: J. Lesinski/NTC, 2100 Alt. 19 North, Palm Harbor, FL 34683 (800)346-9152



CHAS6 8720636 2 NONPRIME ENH1851185 form1/RCNAR1

EXHIBIT A

A PART OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 14 NORTH, RANGE 4 EAST, CRAIGHEAD COUNTY, ARKANSAS, AND CONTAINING 0.67 ACRES MORE OR LESS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT AN EXISTING IRON PIPE IN THE COUNTY ROAD FOR THE NORTHEAST CORNER OF AFORESAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5; THENCE NORTH 89° 40' WEST ALONG THE NORTH LINE OF AFORESAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER 171.0 FEET TO THE CENTER OF A DITCH; THENCE SOUTH 17° 16' EAST ALONG THE CENTER OF SAID DITCH 128.4 FEET; THENCE SOUTH 38° 01' EAST ALONG THE CENTER OF SAID DITCH 211.6 FEET TO AN EXISTING PROPERTY LINE FENCE AND THE EAST LINE OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5; THENCE NORTH 2° 14' EAST ALONG SAID FENCE LINE AND EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER A DISTANCE OF 295.1 FEET TO THE POINT OF BEGINNING PROPER AND BEING SUBJECT TO AN EASEMENT OF 10 FEET ALONG THE NORTH SIDE OF THE TRACT FOR A COUNTY ROAD.

DEED BK 776 PG 785 - 786
DATE 06/26/2008
TIME 11:01:30 AM
RECORDED IN
OFFICIAL RECORDS OF
CRAIGHEAD COUNTY
ANN HUDSON
CIRCUIT CLERK
Ann Hudson, D.C.
RECEIPT# 177330



CITY OF JONESBORO

NOTICE OF TAX LIEN

2018R-017335

FILED

JONESBORO DISTRICT

CRAIGHEAD COUNTY, ARKANSAS

CANDACE EDWARDS, CLERK & RECORDER

08/30/2018 10:10:32 AM

FEE: 25.00

PAGES: 3

BELINDA GARRISON

Date: August 28, 2018

To: Carol Duncan (City Attorney)

RE: Mowing

Owner: LERETA
Address: 1123 Park View Drive
City: Covina, CA 91724

Legal Description: PT NW SE
Section-Township-Range: 05-14-04
Lot/Block: _____
Subdivision: _____
Parcel #: 01-144054-01200

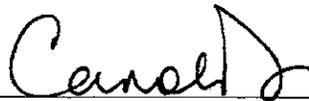
This is a request for a tax lien to be filed on: 1809 Magnolia Road

Amount of Lien: \$ 155.00

If you have any questions feel free to call me at 870-336-7180.

Thank you,
Jonathan Smith
Jonesboro Land Bank Director

**Lien Approved
by:**



City Attorney-City of Jonesboro





DATE	INVOICE NO
6/11/2018	0059298

BILL TO
LERETA 1123 Park View Dr Covina, CA 91724

DUE DATE
6/30/2018

DESCRIPTION	QUANTITY	EFFECTIVE RATE	AMOUNT	DISCOUNT	CREDIT	BALANCE
PREVIOUS OUTSTANDING BALANCE						425.00
June 2018 Mowing Charges:						
Filing Fee- 1809 Magnolia Rd	1.00	15.00	15.00	0.00	0.00	15.00
Filing Fee- 2507 Brooke McQueen	1.00	15.00	15.00	0.00	0.00	15.00
Filing Fee- 2507 Brooke McQueen (2nd time)	1.00	15.00	15.00	0.00	0.00	15.00
Admin. Fee- 1809 Magnolia Rd	1.00	100.00	100.00	0.00	0.00	100.00
Admin. Fee- 2507 Brooke McQueen (2nd time)	1.00	100.00	100.00	0.00	0.00	100.00
Admin. Fee- 2507 Brooke McQueen	1.00	100.00	100.00	0.00	0.00	100.00
Mowing- 2507 Brooke McQueen	1.00	40.00	40.00	0.00	0.00	40.00
Mowing- 1809 Magnolia Rd	1.00	40.00	40.00	0.00	0.00	40.00

Continue to the next page

PLEASE DETACH BOTTOM PORTION & REMIT WITH YOUR PAYMENT

For questions please contact us at (870) 932-3042

DUE DATE	INVOICE NO
6/30/2018	0059298

Customer Name: LERETA
 Customer No: 018679
 Account No: 0034856 - Mowing Acct- 2507 Brooke McQueen #01-144333-088

Please remit payment by the due date to:

City of Jonesboro
 300 South Church Street
 PO Box 1845
 Jonesboro, AR 72403

Invoice Total:	465.00
Discounts:	0.00
Credit Applied:	0.00
Ending Balance:	890.00

INVOICE BALANCE: \$465.00

INVOICE

Custom Care Land Management LLC

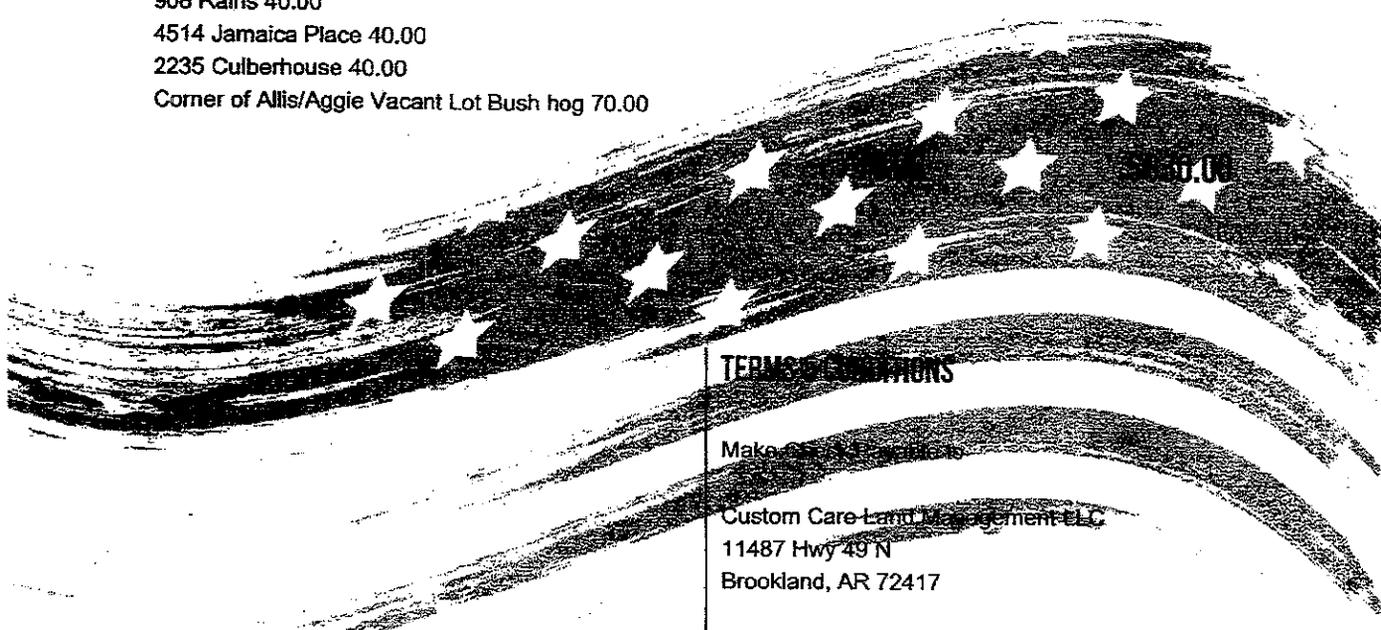
11487 HWY 49N
Brookland, AR 72417
(870) 273-3054

BILL TO
city of Jonesboro

INVOICE # 141
INVOICE DATE 06/11/2018

DESCRIPTION	AMOUNT
-------------	--------

120N Bridge 40.00	830.00
4406 Sarah ST Bush hog 70.00	
Morton Bush hog 70.00	
115 N Drake 40.00	
Griggs 70.00	
804 1/2 North Caraway 40.00	
1600 Golf Course 40.00	
2507 Brooke McQueen 40.00	
120 N Bridge 40.00	
410 Ridgecrest CT Bush hog 70.00	
4205 E Nettleton 40.00	
111 N Fisher 40.00	
113 N Bridge 40.00	
908 Rains 40.00	
4514 Jamaica Place 40.00	
2235 Culberhouse 40.00	
Corner of Allis/Aggie Vacant Lot Bush hog 70.00	



TERMS & CONDITIONS

Make Payment Within 10 Days

Custom Care Land Management LLC
11487 Hwy 49 N
Brookland, AR 72417

Thank You for the Business
God Bless.

Net 10

Thank you

2018R-017335

2018R-020412

FILED

JONESBORO DISTRICT
CRAIGHEAD COUNTY, ARKANSAS
CANDACE EDWARDS, CLERK & RECORDER
10/11/2018 2:45:56 PM
FEE: 15.00
PAGES: 1
SHARRON USSERY



CITY OF JONESBORO, ARKANSAS
NOTICE TO RELEASE LIEN

Date: October 10, 2018

To: Carol Duncan (City Attorney)

RE: Mowing

Owner: LERETA
Address: 1123 Park View Drive
City: Covina, CA 91724

Legal Description: PT NW SE
Section-Township-Range: 05-14-04
Lot/Block: _____
Subdivision: _____
Parcel #: 01-144054-01200

This is a request for the lien to be released on: 1809 Magnolia Road
Date filed: August 28, 2018
Amount of lien: \$155.00

Thank you,
Jonathan Smith
Jonesboro Land Bank Director

Release approved by: *Carol*



IN THE CIRCUIT COURT OF CRAIGHEAD COUNTY, ARKANSAS
WESTERN DISTRICT
CIVIL DIVISION

John G. Upperman and
Danni J. Upperman

PLAINTIFFS

VS.

NO. CIV - 2016 - 271 (PH)

Willie H. Pearson and
Aleta Pearson

DEFENDANTS

COMPLAINT IN UNLAWFUL DETAINER FOR WRIT OF POSSESSION

Comes now the plaintiffs, John G. Upperman and Danni J. Upperman, by and through their attorneys, Mooney Law Firm, P.A., and for their cause of action against defendants, Willie H. Pearson and Aleta Pearson, state as follows:

1. The plaintiffs' cause of action is for the unlawful detainer of certain real property with improvements located in the Western District of Craighead County, Arkansas, more commonly referred to as 1809 Magnolia, Jonesboro, Arkansas and for damages.
2. The defendants, Willie H. Pearson and Aleta Pearson, are residents of the Western District of Craighead County, Arkansas.
3. This Court has jurisdiction over the subject matter pursuant to ACA § 18-60-304 and venue is proper.
4. The plaintiffs are the legal title owner of the subject matter property.
5. That at a time relevant hereto plaintiffs rented to defendants the premises for the sum of One Thousand and One Hundred Dollars (\$1,100.00) per month.
6. The defendants have failed to pay to the plaintiffs the monthly rental payments as agreed for the months of January, February, March and April, 2016, and they are delinquent in their payments in the sum of four thousand four hundred dollars (\$4,400.00); in addition, defendants owe one thousand one hundred and fifty dollars (\$1,150.00) in late fees for when plaintiffs should have judgment against defendants jointly and severally, and in addition defendants notified plaintiffs in writing that they intended to vacate by April 1, 2016, but failed to do so. Pursuant to A.C.A 18-16-202 plaintiffs are entitled to double rent during this holdover period for which plaintiffs should have judgment against defendants jointly and severally.
7. Even though requested by plaintiffs, defendants refuse to quit possession of the property and still willfully hold and unlawfully detain the property from plaintiffs.

and Demand for Possession is attached hereto as Exhibit "A", which is incorporated herein and made a part thereof.

9. The defendants have no legal right to reside in and possess the subject matter property and they unlawfully detain the same from the plaintiffs. An original affidavit of the plaintiffs, John G. Upperman and Danni J. Upperman, pursuant to ACA § 18-60-307(a) is attached hereto as plaintiff's Exhibit "B".

10. The plaintiffs are entitled to possession of the subject property for unlawful detainer as provided by Arkansas law.

11. That pursuant to ACA § 18-60-301, *et seq* the plaintiffs are entitled to a Writ of Possession.

12. This Court should require Defendants to immediately vacate the property and should enter an order instructing the Craighead County Sheriff to assist plaintiffs in taking possession of the property. In the alternative, this action should be viewed as one of ejectment and trespass under Arkansas Statutory and common law, and plaintiffs should be entitled to all relief allowed by law.

13. On information and belief plaintiffs believe that defendants have damaged the property in a sum to be determined by the court and plaintiffs should have judgment against defendants for said sum jointly and severally.

14. The plaintiffs should be awarded a reasonable attorney fees and their costs incurred in this action.

WHEREFORE, the plaintiffs, John G. Upperman and Danni J. Upperman, pray that the Court issue a Writ of Possession against the defendants for unlawful detainer pursuant to ACA § 18-60-301, *et seq* and that they be awarded judgment against the defendants, Willie H. Pearson and Aleta Pearson, jointly and severely for their attorney fees and costs, as well as, all other relief to which the plaintiffs may be entitled pursuant to Arkansas law.

NOTICE TO QUIT AND DEMAND FOR POSSESSION

TO: **Willie H. Pearson & Aleta Pearson**
1809 Magnolia
Jonesboro, Arkansas

Please be advised that my law firm represents John G. Upperman and Danni J. Upperman the owners of 1809 Magnolia, Jonesboro, Arkansas, and it is my information that you have failed to vacate premises even though a request has been made to do so.

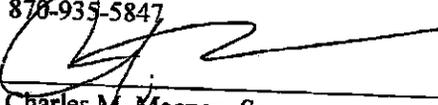
Based upon the foregoing, DEMAND is hereby made pursuant to Arkansas law, ACA §18-60-304, that you voluntarily vacate the premises and remove any and all of your personal items located at **1809 Magnolia, Jonesboro, Arkansas**, and return possession the property to my clients within three (3) business days (excluding the date of service, Saturday, Sunday and legal holidays) from the date of this notice.

This Notice is given to provide you, and any occupants, the opportunity to vacate the leased property voluntarily at **1809 Magnolia, Jonesboro, Arkansas**, before an Unlawful Detainer lawsuit is filed against you seeking a Writ of Possession from a Court and damages, including attorney fees and costs.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE

Dated this 4th day of April 2016.

MOONEY LAW FIRM, P.A.
P. O. Box 1428
Jonesboro, Arkansas 72403
870-935-5847

By: 
Charles M. Mooney, Sr.
Arkansas Bar No. 61020
Attorney for John G. Upperman and Danni J. Upperman

PROOF OF SERVICE

STATE OF ARKANSAS
COUNTY OF CRAIGHEAD

I, Maria L. Cole, do certify that I duly served the within NOTICE TO QUIT AND DEMAND FOR POSSESSION by personally delivering a copy and stating the substance thereof on this 5th day of April, 2016, to the within named Willie H. Pearson and Aleta Pearson at 1809 Magnolia, Jonesboro, AR 72403 in the County of Craighead, Arkansas, as I am hereby commanded. Additionally, I am over the age of 18 years and specially appointed by the Court authorizing service of process by me.

Served @ 5:45 AM

By: 
PROCESS SERVER

Subscribed and sworn to before me this date on this 6 day of April 2016.

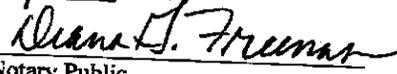

Notary Public



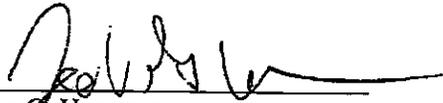
Exhibit "A"

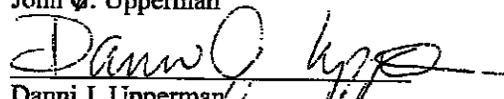
AFFIDAVIT PURSUANT TO ACA § 18-60-307(A)

I, John G. Upperman and Danni J. Upperman, plaintiffs, in the above styled action, first being sworn, for their affidavit under oath state as follows:

1. We are lawfully entitled to the possession of the real property with improvements mentioned in the above styled complaint and located at 1809 Magnolia, Jonesboro, Arkansas.

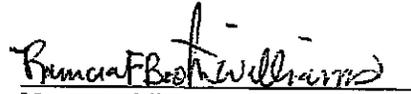
2. Defendants, Willie H. Pearson and Aleta Pearson, unlawfully detain our real property located at 1809 Magnolia, Jonesboro, Arkansas. after lawful demand therefor made pursuant to ACA§ 18-60-304.


John G. Upperman


Danni J. Upperman

Subscribed and sworn to before me this 27th day of March, 2016



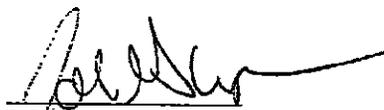

Notary Public

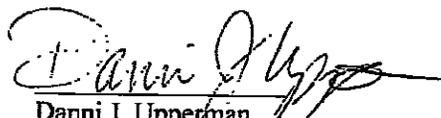
My Commission Expires: 07/19/2016

Exhibit "B"

VERIFICATION

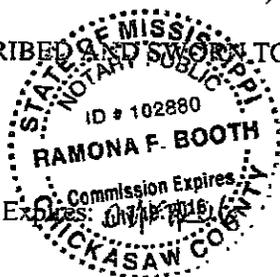
Comes the undersigned and being first duly sworn states on oath that the above and foregoing matters are true and correct as they verily believes.

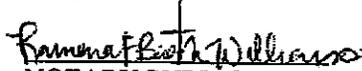

John G. Upperman


Danni J. Upperman

MISSISSIPPI
STATE OF ARKANSAS)
Oklahoma) ss.
COUNTY OF CRAIGHEAD)

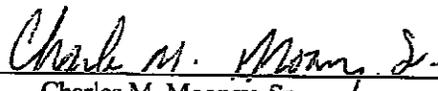
SUBSCRIBED AND SWORN TO before me as this 30th day of March, 2016




NOTARY PUBLIC

My Commission Expires: 07/16/2016

MOONEY LAW FIRM, P.A.
P. O. Box 1428
Jonesboro, Arkansas 72403
870-935-5847

By 
Charles M. Mooney, Sr.
ARK BAR #61020
Attorney for Plaintiffs



CANDACE EDWARDS, CIRCUIT CLERK

CRAIGHEAD COUNTY, AR

IN THE CIRCUIT COURT OF CRAIGHEAD COUNTY, ARKANSAS,
WESTERN DISTRICT
CIVIL DIVISION

John G. Upperman and
Danni J. Upperman

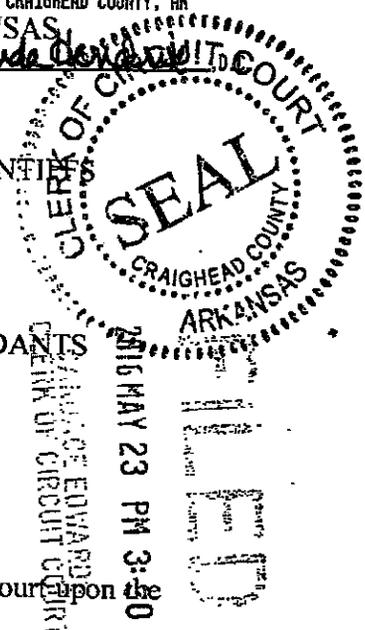
PLAINTIFFS

VS.

NO.CIV-2016-271(PH)

Willie H. Pearson and
Aleta Pearson

DEFENDANTS



DEFAULT JUDGMENT

Now on this day this cause of action having been submitted to the Court upon the Complaint and Exhibits filed herein, the Summons issued against Defendants, and the return of Willie H. Pearson and Aleta Pearson showing proper service for the time and in the manner required by law, the evidence introduced by the Plaintiffs and other matters and proof, the Court finds that:

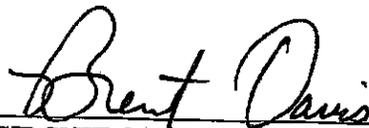
The Defendants have been fully served with summons for more than 30 days before this date, as required by law, the Defendants have failed to appear and defend; and the Defendants are indebted to the Plaintiffs by virtue of past due rent and late fees with the Plaintiffs, in the sum of \$5,550.00, with interest thereon from this date until paid at the maximum rate allowed by law, plus an attorney's fee in the sum of \$1,000.00, together with plaintiffs costs herein expended in the amount of \$215.00 (filing fee \$165.00, service fee \$50.00) for a total judgment against Defendants, jointly and severally, in the sum of \$6,765.00 for which execution may issue.

IT IS, THEREFORE, BY THE COURT, CONSIDERED, ORDERED AND ADJUDGED that the Plaintiffs have and recover of and from the Defendants, Willie H.

Page 2

Pearson and Aleta Pearson, the sum of \$5550.00, with interest thereon from this date until paid at the maximum rate allowed by law, plus an attorney's fee in the sum of \$1,000.00, together with plaintiffs costs herein expended in the amount of \$215.00 (filing fee \$165.00, service fee \$50.00) for a total judgment against Defendants, jointly and severally, in the sum of \$6,765.00 for which execution may issue.

IT IS SO ORDERED



CIRCUIT COURT JUDGE

ENTERED this 23rd day of May, 2016

FILED

SEP 01 2017 3:05pm
CANDACE EDWARDS
CIRCUIT COURT CLERK

IN THE CIRCUIT COURT OF CRAIGHEAD COUNTY, ARKANSAS
CIVIL DIVISION

GREG UPPERMAN AND DANNI UPPERMAN

PLAINTIFFS

vs.

NO.16CV-17- 657 (JF)

KENT E. ARNOLD AND ARNOLD GROUP
REAL ESTATE

DEFENDANTS

COMPLAINT

Come now the Plaintiffs, Greg Upperman and Danni Upperman, by and through their Attorneys, William G. Almand, P.A. and for their Complaint state:

1. Plaintiffs are residents of Oktibbeha County, Mississippi, and are former residents of Craighead County, Arkansas.
2. Defendant, Kent E. Arnold, "(Arnold)" is a resident of Craighead County, Arkansas and is a real estate broker, licensed in Arkansas.
3. Defendant, Arnold Group Real Estate, is an unincorporated association in Craighead County, Arkansas which is the contracting party for Arnold in this action.
4. The subject matter of this action is real property located in Craighead County, Arkansas.
5. This Court has jurisdiction and venue is proper in Craighead County, Arkansas.
6. On August 11, 2016, the Arnold, d/b/a Arnold Group Real Estate executed an Exclusive Right to Sell Agreement with Plaintiffs. A copy of said Agreement is attached hereto and is incorporated herein by reference as Exhibit "A."

7. Pursuant to the Agreement, Defendants had the exclusive right to sell Plaintiffs' real property located at 1809 Magnolia, Jonesboro, Arkansas.

8. On March 27, 2017, Defendants prepared a Lease Purchase contract for Plaintiffs as Lessors to sign with Lessee Zachary N. Gibson ("Lessee"). A copy of the Lease Purchase contract is attached hereto as Exhibit "B" and is incorporated herein by reference.

9. Lessee deposited Fifteen Thousand Dollars (\$15,000.00) with Defendants pursuant to paragraph 1(a) of Exhibit B.

10. Lessee had an option to purchase the property within 36 months of April 1, 2017 for \$134,000.00.

11. Lessee was to pay \$1,095.00 per month during the lease term, pursuant to paragraph 2(a) on the first day of each month, beginning April 1, 2017.

12. Lessee failed to make the first month's payment on or after May 1, 2017. Lessee defaulted on the lease pursuant to paragraph 14 of Exhibit B, and abandoned the property.

13. Defendants gave Plaintiffs \$5,000.00 of the \$15,000 deposit by Lessee, and Defendants retained \$10,000.00 of the deposit.

14. Defendants are entitled to a seven percent fee if the property if Seller is presented with an offer, or the property is disposed of during the listing period, pursuant to paragraph 8 of Exhibit A.

15. A Lease Agreement was entered into, but no rent was ever paid. The Plaintiffs were never presented with an offer, and the property was not disposed of with the execution of Exhibit B.

16. Plaintiffs are entitled to the balance of the deposit made by Lessee, ten thousand dollars (\$10,000.00) from Defendants.

17. Alternatively, Plaintiffs are entitled to \$8,850.00, if the Court finds that the actions of Defendants triggered a right to a commission, and Defendants are entitled to \$1,050.00, or seven percent of the \$15,000.00 deposit.

18. Plaintiffs have made demand on Defendants for the amount of the deposit owed, which demand has been refused by Defendants.

19. Plaintiffs are entitled to their attorney's fees for breach of contract, plus prejudgment interest in the amount of 6% from May 2, 2017, the date of the demand.

WHEREFORE, Plaintiffs pray for a Judgment against the Defendants herein, for damages of Ten Thousand Dollars, for prejudgment interest from May 2, 2017 until Judgment is entered, for post judgment interest until paid, and for costs and attorney's fees herein expended.

Respectfully submitted,

GREG UPPERMAN AND DANNI
UPPERMAN, Plaintiffs

By and through their Attorneys,

William G. Almand

William G. Almand, ABN 86001

WILLIAM G. ALMAND, P.A

708 West 2nd Street, Suite 101

Little Rock, AR 72201

Tel: (501) 219-8500

Fax: (501) 219-8585

Email: galmand@wgalmandlaw.com

Exclusive Right-to-Sell Agreement (Residential)

Page 1 of 7



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Association

FORM SERIAL NUMBER: 051857-800147-0949079

1. RIGHT-TO-SELL: In consideration of the services of Arnold Group Real Estate (by and through the Principal Broker, or agent thereof assigned by Listing Firm) (hereafter collectively called "Listing Firm") for the purpose of assisting in the possible sale or exchange of the real property described in Paragraph 2 (the "Property"), and Greg Upperman and Danni Upperman being the sole owner(s) of the Property (hereafter called "Seller"), Listing Firm and Seller agree that Listing Firm shall have the exclusive right to market the Property for the Listing Period described in Paragraph 4. Seller does hereby certify and represent that Seller has peaceable possession of the Property, including all improvements and fixtures thereon, and the legal authority and capacity to convey the Property by a good and sufficient general warranty deed, free from any liens, leasehold or other interests, except as may be set forth in Paragraphs 18 and 21.

2. ADDRESS AND LEGAL DESCRIPTION OF THE PROPERTY:

1809 Magnolia - Jonesboro, AR 72401

Legal Description: Pt SW SE

3. OFFERING: Listing Firm agrees to use reasonable effort to solicit an offer(s) to purchase the Property in the amount of \$159,000.00 (the "Offering Price") but will present for Seller's consideration any offer to purchase the Property received by Listing Firm regardless of choices in Paragraph 11. Seller agrees to refer to Listing Firm all offers and inquiries received by Seller regarding the Property during the term of this Exclusive Right-to-Sell Agreement.

4. LISTING PERIOD: This listing begins at 12:01a.m. on (month) August (day) 11, (year) 2016 and expires at 11:59 p.m. on (month) August (day) 11, (year) 2017, unless extended by mutual written agreement of Seller and Listing Firm (the "Listing Period").

5. CONVEYANCE: Unless otherwise specified, conveyance of the Property shall be made to any person (hereinafter called "Buyer") submitting an offer that is accepted by Seller, and such conveyance shall be made as directed by Buyer, in fee simple absolute by general warranty deed. **Unless expressly reserved herein, Listing Firm may represent to the public that the Property is to be sold inclusive of all mineral rights owned by Seller concerning and located on the Property, if any.** Seller warrants and represents to Listing Firm and authorizes Listing Firm to inform prospective buyers that only the signatures set forth below are required to transfer legal title to the Property.



Exclusive Right-to-Sell Agreement (Residential)

Page 2 of 7



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FORM SERIAL NUMBER: **051857-800147-0949079**

6. ABSTRACT OR TITLE INSURANCE: Seller has legal ability to furnish Buyer evidence of good and merchantable title by: (i) current and complete abstract of title or (ii) title insurance in the amount of any agreed-upon purchase price.

7. CLOSING PROTECTION: Seller shall have the right to request that title insurer(s), if any, issue closing protection to indemnify against loss of closing funds because of acts of a Closing Agent, title insurer's named employee, or title insurance agent. Any cost for closing protection will be paid by the requesting party(ies). Listing Firm strongly advises Seller to inquire of the Closing Agent(s) about the availability and benefits of closing protection.

To insure all funds have been properly disbursed, Seller has been advised of the availability of purchasing a Closing Protection Letter, an additional binder to be added to the Title Insurance Policy at closing.

8. LISTING FIRM'S FEE: If Listing Firm presents to Seller an offer in an amount equal to or greater than the Offering Price, or such lesser price or terms as Seller may accept, or if the Property is otherwise sold or disposed of by Listing Firm or any other person, including Seller, during the Listing Period, Seller agrees to pay Listing Firm a professional fee of either:

- A. Seven percent (7%) of the gross amount of any accepted Real Estate Contract or value of any property exchanged for the Property plus \$_____ for professional services rendered; or
- B. \$_____ for professional services rendered.

If co-brokerage applies, said fee shall be divided:

- (i) _____% of the Purchase Price plus \$_____ to Listing Firm and _____% of the Purchase Price to Selling Firm.
- (ii) Other: _____

In consideration for Seller's promise contained within this Paragraph 8, Listing Firm promises to Seller that it will use reasonable effort to market the property and solicit an offer regarding the Property with terms and conditions acceptable to Seller, provide additional marketing services as deemed appropriate by Listing Firm and coordinate the closing. Seller agrees that Listing Firm is not required to investigate the financial or other ability of a prospective buyer to consummate any proposed or accepted Real Estate Contract. Seller will not owe a fee to Listing Firm if Buyer does not remove any condition set forth in a Real Estate Contract and cannot close, unless failure to close is the result of breach of a Real Estate Contract by Seller.

9. EXPIRED LISTING CONDITIONS: Seller agrees to pay the professional fee set forth in Paragraph 8 to Listing Firm if the Property is sold or otherwise disposed of:

- A. during the Listing Period, as defined in Paragraph 4;
- B. during a period of 180 days (the "Post-Term Period") after the Listing Period when information given by or obtained through Listing Firm during the Listing Period resulted in or contributed in any manner to the sale or disposal of the Property, regardless of procuring cause; or
- C. at any time after expiration or termination of this Exclusive Right-to-Sell Agreement (including termination by Listing Firm as specified in Paragraph 10 below) when information obtained through Listing Firm during the Listing Period was the procuring cause of the sale or disposal of the Property.

However, if Seller employs another real estate firm as exclusive agent for marketing the Property after expiration of this Exclusive Right-to-Sell Agreement, Seller shall pay only one professional fee, and that to the currently employed real estate firm.

Exclusive Right-to-Sell Agreement (Residential)

Page 3 of 7



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Association

FORM SERIAL NUMBER: 051857-800147-0949079

10. CANCELLATION: Seller may cancel this Exclusive Right-to-Sell Agreement prior to its expiration date without in any manner affecting the indemnities provided by Paragraph 20 and the provisions of Paragraph 9. Such cancellation will be effective only after: 1) Seller has provided written notice to Listing Firm, sent by United States certified mail, return receipt required, and 2) Seven (7) calendar days have elapsed since such written notice was received by Listing Firm. Upon the effective date of cancellation, Seller shall be liable to Listing Firm for a cancellation fee equal to:

- A. Seven percent (7%) of the Offering Price set forth in Paragraph 3, or
- B. the liquidated sum of \$_____, it being agreed by Seller and Listing Firm the liquidated sum is not a penalty and is agreed to because damages incurred by Listing Firm resulting from cancellation by Seller will be difficult to ascertain, and the amount set forth in the blank (even if \$0) shall be in addition to and not a limitation of the sums due Listing Firm pursuant to Paragraph 9 (Expired Listing Conditions) of this Exclusive Right-to-Sell Agreement.

Listing Firm may cancel this Exclusive Right-to-Sell Agreement at any time, with or without cause, by providing written notice to Seller. In the event of cancellation by Listing Firm, Seller shall not be responsible for compensation to Listing Firm, unless: (i) Seller shall have breached the terms of this Exclusive Right-to-Sell Agreement or (ii) Listing Firm is entitled to compensation pursuant to Paragraphs 8 and 9.

11. TYPES OF AGENCY: Seller fully understands the agency options available below, and agrees that Listing Firm will be the agent of Seller and will market the Property utilizing the agency options selected below; however, Listing Firm will present to Seller all offers received regardless of agency options selected.

In addition to Listing Firm marketing the Property to prospective buyers, Seller chooses to allow Listing Firm to use the following options (Choose as many options as desired to market Property):

- A. **SUBAGENCY:** Seller hereby authorizes Listing Firm to offer Subagency to real estate licensees other than Listing Firm and acknowledges that Seller may be responsible for the actions of Listing Firm and any subagents who accept the offer of Subagency. Listing Firm will provide disclosures and information about the Property necessary to assist Listing Firm and any subagents in performing their duties and responsibilities to Seller. Seller authorizes Listing Firm to pay from Listing Firm's fee agreed upon in Paragraph 8 a share deemed competitive, Listing Firm's policy having been explained to and hereby acknowledged by Seller.

NOTE: Seller understands if Subagency is the only option selected any prospective buyers represented by Listing Firm will not be shown the Property. Seller further understands that real estate licensees other than Listing Firm may forego presenting the Property to their clients.

- B. **BUYER AGENCY:** Seller acknowledges Listing Firm is employed by Seller and Selling Firm is employed by Buyer. All licensees associated with Selling Firm are employed by, represent, and are responsible to the Buyer. Seller authorizes Listing Firm to make payment as set forth in Paragraph 8.

- C. **AGENT REPRESENTS BOTH:** Seller hereby consents that Listing Firm may represent both Buyer and Seller. Should Listing Firm represent both Seller and Buyer, Seller agrees to the following:

- (i) Listing/Selling Firm shall not be required to and shall not disclose to either Buyer or Seller any personal, financial or other confidential information concerning the other party without the express written consent of that party; however, Seller agrees Listing/Selling Firm shall disclose to Buyer information known to Listing/Selling Firm related to defects in the Property and such information shall not be deemed confidential information." Confidential information shall include but not be limited to any price Seller is willing to accept that is less than the Offering Price or any price Buyer is willing to pay that is higher than that offered in writing.
- (ii) By selecting this option 11C, Seller acknowledges that when Listing Firm represents both Seller and Buyer a possible conflict of interest exists, and Seller agrees to forfeit individual rights to receive the undivided loyalty of Listing Firm.
- (iii) Any claim now or hereafter arising out of any conflicts of interest from Listing Firm's representation of both Seller and Buyer is waived.

Page 3 of 7

Exclusive Right-to-Sell Agreement (Residential)

Page 4 of 7



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Association

FORM SERIAL NUMBER: 051857-800147-0949079

12. EARNEST MONEY: Seller authorizes and instructs Listing Firm to accept and deposit in Listing Firm's trust account all Earnest Money received. Should a deposit of Earnest Money be forfeited, the money shall be divided as follows: Payment shall first be made of all direct expenses incurred in connection with the contemplated transaction, and the balance shall be divided one-half to Listing Firm and one-half to Seller, but in no event shall Listing Firm receive an amount in excess of the fee that would have been received if the sale had been consummated. If a dispute between Seller and any other person or entity arises concerning the Earnest Money, Seller authorizes Listing Firm to interplead the disputed Earnest Money in a court of law or to an arbitrator and to have Listing Firm's costs and attorney's fees paid from the funds entered for interpleading. Seller acknowledges and understands that Listing Firm is not responsible for obtaining good funds regarding Earnest Money tendered by prospective or actual buyers.

13. FAIR HOUSING: Seller agrees Listing Firm will market the Property to interested persons without regard to race, color, religion, sex, national origin, handicap, sexual orientation or familial status. Additionally, Seller agrees that Listing Firm and Seller must comply with all state and federal laws while performing this Exclusive Right-to-Sell Agreement.

14. LEAD-BASED PAINT DISCLOSURE: Seller agrees to provide a Lead-Based Paint Disclosure (as required by Federal Law) if the subject Property or any of the improvements were constructed prior to 1978.

15. MULTI-LIST SERVICE AND INTERNET: Seller warrants, represents and authorizes Listing Firm to offer the Property in a multi-list or co-op brokerage, subject to the options selected in Paragraph 11, and comply with all rules and regulations associated with multi-list or co-op brokerage.

The following election(s) cover the transfer of information to other Internet websites by the Listing Firm's Multiple Listing Service. Listing Firm cannot control Property Information appearing on Internet websites which obtain information from sources other than the Listing Firm's Multiple Listing Service.

(Choose Option A or B)

- A. Seller elects to allow the transfer of Property information to other Internet websites to be displayed on the Internet.
- Seller elects to allow the address of the Property to be displayed on these Internet websites.
- Seller elects to allow the Property to have an auto valuation on these Internet websites.
- Seller elects to allow written comments or reviews (blogging) when the Property is displayed on these Internet websites.

(If checking A, check all above that apply.)

- B. Seller elects NOT to allow the transfer of Property information to other Internet websites. Seller understands and acknowledges that consumers who conduct searches for listings on the Internet may not see information about the Property in response to their search.

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Exclusive Right-to-Sell Agreement (Residential)

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FORM SERIAL NUMBER: **051857-800147-0949079**

16. SELLER WARRANTY, REPRESENTATION AND AUTHORIZATION: Seller warrants and represents to Listing Firm that no other exclusive representation or exclusive agency agreement is in force. Seller understands that if the warranty representation contained herein is not true, Seller is strongly encouraged to seek legal advice concerning the possibility of liability for two or more commissions before signing this Exclusive Right-to-Sell Agreement. Unless otherwise specified, Seller warrants, represents and authorizes Listing Firm to take the following actions as deemed appropriate by Listing Firm:

- A. divulge, with Seller's approval, the existence of offers on the property in response to inquiries from potential buyers or cooperating brokers;
- B. display a For Sale and Sold sign as deemed appropriate by Listing Firm;
- C. use a key or lock box for entry when Seller is absent, and access the Property by using a keyed or keyless lock-box system;
- D. acquire loan, utility and other financial information reasonably necessary to market the Property;
- E. add or change descriptive information when necessary to market the Property;
- F. use reasonable effort to distribute to all prospective buyers any disclosure form provided unless contrary wishes are conveyed to Listing Firm by a prospective buyer;
- G. use reasonable effort to discover other information that has a material effect on the value or desirability of the Property (Seller agrees that any disclosure form, if provided, contains all information that has a material effect on the value or desirability of the Property to Seller's knowledge);
- H. hold an Open House or advertise the Property when Listing Firm believes it is advantageous in marketing the Property;
- I. photograph, videotape or reproduce the image of the interior and exterior of all Property described herein by any prospective buyer (including those produced by sub-agents or agents representing a person or entity other than Seller); and
- J. engage, at no cost to Seller, the services of a centralized appointment scheduling service to contact Seller for the purpose of scheduling appointments to view the Property to assist Listing Firm (and sub-agents thereof) and agents for persons interested in viewing the Property. Seller acknowledges such service will not be performed by licensed real estate agents or persons licensed with or employed by Listing Firm.

17. HOME-WARRANTY PLANS: Seller understands the benefits of a home-warranty contract, which may include coverage for most major appliances, plumbing, electrical, heating and air-conditioning systems. The home-warranty contract covers unexpected mechanical failures due to wear and tear and is subject to a per-claim deductible. The availability of a home-warranty contract, cost and applicable deductible have been explained to Seller and Seller chooses:

- A. No home-warranty contract concerning the condition of any real or personal Property to be conveyed from Seller to Buyer for any period after the closing or for Seller during the Listing Period.
- B. A limited home-warranty plan will be provided to Buyer concerning the condition of the Property and will be paid for by Seller at a cost not to exceed \$_____ plus sales tax. This home-warranty contract will not imply any warranty by Seller after closing, and the items covered by said home-warranty contract will be agreed to by a separate agreement between Seller, Buyer and Warranty Company. Coverage's vary and the coverage received will be solely set forth in the home-warranty documents between Buyer and Home Warranty Company, _____, and no representation or explanation will be provided by Seller, Selling Firm or Listing Firm, Buyer being solely responsible to determine the extent and availability of coverage. Listing Firm and/or Selling Firm may receive compensation from the warranty company.
- C. Other Warranty: _____

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18. FIXTURES AND ATTACHED EQUIPMENT: Unless specifically excluded herein, Listing Firm may represent to the public that all fixtures and attached equipment, if any, are included in the Offering Price set forth in Paragraph 3. Such fixtures and attached equipment shall include but not be limited to the following: dishwasher, disposal, trash compactor, ranges, ovens, water heaters, exhaust fans, heating and air-conditioning systems, plumbing and septic systems, electrical system, intercom system, ceiling fans, window air conditioners, carpeting, indoor and outdoor light fixtures, window and door coverings and related hardware, gas or electric grills, awnings, mail boxes, garage door openers and remote controls, water softeners, antennas, television satellite receiving equipment, propane and butane tanks, fireplace inserts,

_____ and all items bolted, nailed, screwed, buried, or otherwise attached to the Property in a permanent manner, except the following:

19. SELLER'S STATEMENT: Seller warrants that all information furnished to Listing Firm concerning the Property, including without limitation the information set forth in any disclosure form that may be attached hereto and incorporated herein, is complete and accurate to Seller's knowledge and that no material facts have been withheld from Listing Firm. Unless a potential buyer desires not to obtain a copy of a disclosure form (as evidenced by an oral statement or in a real Estate Contract), Listing Firm is authorized to use reasonable effort to disclose to any member of the public interested in the Property any disclosure form that may be attached hereto, or any other material information known or made known to Listing Firm about the Property, including without limitation any defects relating to the Property. Seller agrees to defend, indemnify, save and hold Listing Firm harmless from all liability or claims arising from Seller's incorrect or undisclosed information. Seller agrees to notify Buyer and Listing Firm in writing of any changes in any disclosure form or otherwise concerning the Property that become known to Seller.

20. LIMITATION OF RESPONSIBILITY: Listing Firm shall not be responsible for the maintenance, repair or condition of the Property or for damage of any nature affecting the Property, unless such responsibility is assumed by Listing Firm by separate agreement. Seller hereby covenants and agrees to indemnify Listing Firm and hold Listing Firm harmless from any and all liability, obligations or demands made by third parties against Listing Firm as a result of Listing Firm's marketing of the Property, including but not limited to damage or injury to Property or persons and reasonable attorney's fees. Listing Firm encourages Seller to maintain insurance coverage to adequately protect the Property and those individuals who may be on the Property. Seller understands Listing Firm does not insure the Property in any way.

21. SPECIAL CONDITIONS: _____

22. GOVERNING LAW: This Exclusive Right-to-Sell Agreement shall be governed by the laws of the State of Arkansas.

23. SEVERABILITY: The invalidity or unenforceability of any provisions of this Exclusive Right-to-Sell Agreement shall not affect the validity or enforceability of any other provision of this Exclusive Right-to-Sell Agreement, which shall remain in full force and effect.

24. MERGER CLAUSE: This Exclusive Right -to-Sell Agreement, when executed by both Listing Firm and Seller, shall contain the entire understanding and agreement between Listing Firm and Seller with respect to all matters referred to herein and shall supersede all prior or contemporaneous agreements, representations, discussions and understandings, oral or written, with respect to such matters.

25. ATTORNEY'S FEES: Should Listing Firm or Seller initiate any type of administrative proceeding, arbitration, mediation or litigation against the other (or against an agent for the initiating party or agent for the non-initiating party), it is agreed by Listing Firm and Seller (aforementioned agents being third-party beneficiaries of this Paragraph 25) that all prevailing parties shall be entitled to an award of all costs and attorney's fees incurred in defense of such initiated action against the non-prevailing party.

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26. ENTIRE AGREEMENT, MODIFICATION LIMITED: This Exclusive Right-to-Sell Agreement constitutes the entire agreement concerning the subject matter hereof between Seller and Listing Firm and supersedes all prior or contemporaneous agreements, representations, discussions and understandings, oral or written, with respect to such matters. This Exclusive Right-to-Sell Agreement may not be modified except in writing executed by both Seller and Listing Firm. Any contract entered into by Seller and Buyer shall not affect this Exclusive Right-to-Sell Agreement.

27. TIME: Seller and Listing Firm agree time is of the essence with regard to all times and dates set forth in this Exclusive Right-to-Sell Agreement. Unless otherwise specified, days as it appears in this Exclusive Right-to-Sell Agreement shall mean calendar days. Further, all times and dates set forth in this Exclusive Right-to-Sell Agreement refer to Arkansas Central time and date.

28. COUNTERPARTS: This Exclusive Right-to-Sell Agreement may be executed in multiple counterparts each of which shall be regarded as an original hereof but all of which together shall constitute one in the same.

THIS IS A LEGALLY BINDING AGREEMENT WHEN SIGNED BY THE PARTIES BELOW. READ IT CAREFULLY. YOU MAY EMPLOY AN ATTORNEY TO DRAFT THIS FORM FOR YOU. IF YOU DO NOT UNDERSTAND THE EFFECT OF ANY PART, CONSULT YOUR ATTORNEY BEFORE SIGNING. REAL ESTATE AGENTS CANNOT GIVE YOU LEGAL ADVICE. THE PARTIES SIGNED BELOW WAIVE THEIR RIGHT TO HAVE AN ATTORNEY DRAFT THIS FORM AND HAVE AUTHORIZED THE REAL ESTATE AGENT(S) TO FILL IN THE BLANKS ON THIS FORM.

THIS FORM IS PRODUCED AND COPYRIGHTED BY THE ARKANSAS REALTORS® ASSOCIATION. THE SERIAL NUMBER BELOW IS A UNIQUE NUMBER NOT USED ON ANY OTHER FORM. THE SERIAL NUMBER BELOW SHOULD BE AN ORIGINAL PRINTING, NOT MACHINE COPIED, OTHERWISE THE FORM MAY HAVE BEEN ALTERED. DO NOT SIGN THIS FORM IF IT WAS PREPARED AFTER DECEMBER 31, 2016.

FORM SERIAL NUMBER: **051857-800147-0949079**

The above Exclusive Right-to-Sell Agreement is executed on

(month) August (day) 11, (year) 2016, at (a.m.) (p.m.).

Arnold Group Real Estate

Listing Firm: Arnold Group Real Estate
Signature: Kent E Arnold

Printed Name: Kent E Arnold
Signature: Kent E Arnold
Principal or Executive Broker

Printed Name: Kent E Arnold
Assigned Associate

Signature: Greg Upperman

Printed Name: Greg Upperman
Seller

Printed Name: Danni Upperman
Seller

Seller's Address

City, State Zip

Seller's Phone

Seller's e-mail Address

Seller's e-mail Address

LEASE PURCHASE

This Agreement, made and entered into this 27th day of March 2017, by and between **GREG UPPERMAN AND DANNI UPPERMAN** (hereinafter referred to as "Landlord") and **ZACHARY N. GIBSON** (hereinafter referred to as "Tenant");

WITNESSETH:

In consideration of the rents and covenants hereinafter set forth, Landlord does hereby let, lease purchase and demise to Tenant, and Tenant hereby lease purchase from Landlord, subject to the terms and conditions hereinafter set forth, that certain parcel of real property located at **1809 MAGNOLIA - Jonesboro, AR 72401**, Jonesboro, Craighead County, Arkansas, ("the property" or "the premises").

1. TERM.

(a) The initial term of this Lease Purchase shall be **THREE (3) YEARS**, commencing **APRIL 1, 2017**. The Lease Purchase price is **\$149,000**. The down payment of **\$15,000** will be due at **LEASE PURCHASE SIGNING**. The balance of **\$134,000** will be due in 36 months or can be prepaid at any time without penalty.

2. LEASE PURCHASE AMOUNT

(a) Tenant agrees to pay to Landlord, its successors and assigns, and Landlord agrees to accept, as rent for the property during the initial term of this Lease the sum of **\$1095 (ONE THOUSAND AND NINETY FIVE DOLLARS)** per month. The first installment shall be due upon **APRIL 1ST, 2017** and thereafter on the **1ST** day of every month, and subsequent installments shall be due and payable on the same day of each succeeding month.

(b) Tenant agrees to pay to Landlord, its successors and assigns, and Landlord agrees to accept, as rent for the aforesaid premises during the lease purchase term, the sum of **\$1095 (ONE THOUSAND AND NINETY FIVE DOLLARS)** per month.

(c) Should Tenant fail to pay any installment of rent within **SEVEN (7)** days of the date it becomes due, then Tenant shall pay a late charge of ten per cent (10%) of the



installment.

3. **POSSESSION.** Landlord shall deliver possession of the property to Tenant upon full execution of this lease purchase and receipt of the down payment.

4. **TAXES.** Landlord agrees to promptly pay when due all taxes and assessments of any kind or nature which may be levied or assessed against the premises during the term of the Lease.

5. **CONDITION OF PREMISES / MAINTENANCE AND REPAIRS.**

(a) Tenant represents and acknowledges that it has inspected the property, that it accepts the same in its present condition, "as-is". The property has received storm damage and any benefit from the insurance will accrue to the TENANT.

(b) Tenant, at its cost, shall be responsible for the repair and maintenance of the structural portions of the property (including but not limited to the roof, roof structures and supports, foundation and structural supports) during the term of this Lease and any renewals or extensions thereof.

(c) Tenant, at its costs shall keep and maintain all interior portions of the property (including but not limited to all windows, window glass, doors, interior electrical, plumbing, heating, ventilation and air conditioning systems, refrigerator and lighting and bulbs, walls, floors) in clean and orderly condition and in good order and repair during the term of this Lease and any renewals and extensions thereof, and shall return the same to Landlord upon expiration of this Lease in its present condition, excepting reasonable wear and tear. Trash, garbage and refuse shall not be allowed to accumulate on or about the property, and Tenant shall arrange for regular pick-up and removal of same at its expense.

6. **ALTERATIONS.** Tenant shall make no improvements, alterations, or additions in or to the demised premises which will result in any decrease in the value of the premises. No improvements, alterations or additions may be made by Tenant without written consent of Landlord first obtained. Any improvements, alterations or additions permitted by Landlord shall be made by Tenant at Tenant's expense, and strictly in accordance with all applicable laws, ordinances and regulations. Such improvements,

alterations or additions permitted by Landlord shall be and become part of the premises when made so that Tenant shall have no right or obligation to remove the same. By any permission given hereunder, Landlord does not authorize Tenant to contract for improvements as would allow mechanic's or materialmen's liens to attach to the property, and Tenant agrees that it will not allow any such liens to attach to the property.

7. INSURANCE.

(a) Landlord shall keep and maintain during the term of this Lease Purchase a policy of fire and extended coverage insurance on the demised premises. Tenant shall carry, at its own cost and expense, such insurance on any property placed in or upon the demised premises by Tenant to the extent Tenant deems appropriate. Each party obtaining such insurance shall require each insurer under the policies of said insurance to waive in writing any and all rights of subrogation that such insurer might otherwise have against the other party to this Lease or their agents, servants, or employees. Each party waives any and all rights of recovery against the other party for losses covered by fire and extended coverage insurance. In the event of any loss for which Landlord collects insurance proceeds for repairs, Landlord shall cause the contemplated repairs to be made, not to exceed in cost the insurance proceeds received, and subject, however, to the provisions of paragraph 9 of this agreement. Notwithstanding anything herein to the contrary, in the event there is a covered glass breakage claim made, Tenant shall be responsible for payment of the applicable deductible.

8. USE OF PREMISES. It is Tenant's intent to use the premises for personal single-family living space and it is understood that local zoning ordinances presently permit such use. Should said ordinances be amended so that said use is no longer permissible, then this Lease shall terminate as of the effective date of such amendment. This shall not limit Tenant's right to use the premises for any lawful purpose. Provided, however, Tenant shall not permit any use of the premises which would constitute an increase in hazard for insurance purposes, or which would violate any applicable laws, regulations or ordinances, including environmental laws and regulations. Further, Tenant

warrants that no hazardous, toxic or dangerous substances or materials (as defined or regulated by any federal, state or other governmental laws, ordinances, or regulations) will be discharged on the premises. Tenant agrees to protect, defend and hold Landlord harmless from and against any and all claims, expenses, actions, liabilities, clean-up costs, damages and losses or fines of any kind whatsoever (including without limitation death or injury to persons and damage to property) actually or allegedly and directly or indirectly resulting from or connected with Tenant's use, storage, dispensing, sale or disposal of any such substances or materials.

9. DAMAGE TO PREMISES. (a) In the event that the premises are partially or totally destroyed or so damaged by fire or other casualty, and in the reasonable opinion of an architect, engineer or contractor mutually selected by Landlord and Tenant necessary rebuilding or repairs cannot be completed within one hundred eighty (180) days from the date of the loss, then either party shall have the option of terminating this Lease by giving written notice of termination to the other within thirty (30) days of such damage or destruction; if neither party elects to terminate the Lease as herein provided, then the premises shall be restored promptly at Landlord's cost and expense, not exceeding the amount of net insurance proceeds, and there shall be an equitable abatement of rent for actual impairment of use by Tenant during the period prior to restoration.

(b) In the event that the premises are partially or totally destroyed or so damaged by fire or other casualty, and in the reasonable opinion of an architect, engineer or contractor mutually selected by Landlord and Tenant necessary rebuilding or repairs can be completed within one hundred eighty (180) days from the date of the loss, then Landlord shall promptly repair the damage at its expense, not exceeding the amount of net insurance proceeds, and shall allow Tenant an equitable abatement of rent for actual impairment of use by Tenant during the period prior to restoration.

(c) In any event, all proceeds of insurance purchased and maintained by Landlord on the premises shall be the property of Landlord, and proceeds of any

insurance purchased and maintained by Tenant on its personal property shall be the property of Tenant.

(d) In the event that the premises are destroyed or damaged by a casualty that is not covered by Landlord's insurance, then Landlord may either (i) repair or restore the premises within one hundred eighty (180) days from the date of the loss, in which event this Lease shall remain in full force and effect, or (ii) Landlord may terminate this Lease by giving written notice to Tenant within thirty days of Landlord's receipt of notice that the loss was not covered by insurance.

10. **ASSIGNMENT/SUBLEASE.** Tenant may not sublet the demised premises or assign this Lease in whole or in part without prior written approval of the Landlord. This Lease shall be assignable by Landlord.

11. **UTILITIES.** Tenant shall pay for all utilities at the premises.

12. **FIXTURES.** Any and all items of personal property installed by or at the expense of Tenant or owned by Tenant which are capable of being removed from the premises without substantial injury thereto shall remain the property of Tenant and Tenant may remove the same or any part thereof at any time during the term of this Lease. Tenant shall promptly repair in a good and workmanlike manner any damage to the property caused by such removal, and restore the property to its original condition.

13. **CONDEMNATION.** If the entire demised premises, or such of the demised premises that the conduct of Tenant's business thereon shall be substantially impaired, shall be taken by exercise of a right of eminent domain or shall be conveyed under threat of condemnation, this Lease shall terminate on the date of passage of title to the authority exercising the right of eminent domain and the rent shall be adjusted to that date. If part of the demised premises shall be taken by exercise of a right of eminent domain or conveyed under threat of condemnation and if the conduct of Tenant's business on the demised premises shall not be substantially impaired thereby, then this Lease shall continue in full force and effect except that there shall be, from the date of passage of title of the part taken or conveyed to the condemning authority, an abatement of rent sufficient to compensate Tenant for the loss of use of the part so taken or conveyed. If part of the

building shall be so taken or conveyed and this Lease shall continue, Landlord shall promptly, at its own cost, repair and restore the building to a complete architectural unit, and there shall be an equitable abatement of rent for actual impairment of use by Tenant during the period prior to restoration. Provided that if the cost of such restoration exceeds the amount Landlord is paid for the taking by eminent domain, Landlord may by written notice cancel this Lease, unless Tenant elects to pay the difference, and then restoration shall be performed with Landlord paying the amount it received for the taking and Tenant paying the balance of the cost of restoration.

14. **DEFAULT.** In the event Tenant shall fail to pay any installment of rent (plus applicable late fee) in full within thirty (30) days of its due date, or in the event Tenant shall fail to perform any other covenant or comply with any other condition or obligation imposed on Tenant under this Lease after thirty (30) days written notice thereof, or in the event Tenant commits any act or omission referred to subparagraph (g) of this paragraph 14, then Tenant shall be in default. In the event of default, Landlord may, at its option, in addition to all other rights and remedies available under this agreement or under Arkansas law, take any one or more of the following steps, and the following provisions shall apply:

- (a) Declare this Lease terminated, in which event Tenant shall immediately surrender possession of the premises to Landlord;
- (b) Enter upon and take possession of the premises and expel or remove Tenant and any permitted assignees or subtenants with or without terminating the Lease, and with or without legal process;
- (c) Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of the surrender of the demised premises by the Tenant either by agreement or by operation of law, it being understood and agreed that surrender can be effected only by written agreement signed by the Landlord and the Tenant.
- (d) In the event Landlord elects to repossess the premises without terminating the Lease, then Tenant shall remain liable for and shall pay to Landlord all accrued and

unpaid rent, late fees and other debt owed to Landlord as of the date of repossession, plus all rent, late fees and other debt required by this Lease to be paid to Landlord during the remainder of the lease term until the date of expiration as provided in Section I hereof, less any net sums received by Landlord through re-letting the premises during said period (after deducting expenses incurred by Landlord in repossessing and re-letting the premises). In no event shall Tenant be entitled to any excess sum realized by Landlord through re-letting.

(e) In the event of default, Tenant shall be liable for and shall pay to Landlord any broker's fees or commissions incurred by Landlord in re-letting all or any part of the premises, the costs of removing and storing the property of Tenant or any permitted assignee or sub-tenant, the costs of repairing, altering, remodeling or otherwise putting the premises into condition acceptable to a new tenant or tenants, and all reasonable expenses incurred by Landlord in enforcing its remedies, including reasonable attorney's fees.

(f) In the event of termination or repossession by Landlord after default, Landlord shall not have any obligation to re-let or attempt to re-let the premises, or any portion thereof, or to collect rent after re-letting, and in the event of re-letting Landlord may re-let all or any portion of the premises for any term, to any tenant, and for any use and purpose.

(g) In addition to non-payment of rent and failure to comply with the covenants and conditions imposed upon Tenant under this lease, the following shall also constitute default by Tenant: abandonment of the demised premises by Tenant, Tenant's assignment for the benefit of creditors, if Tenant should by any court be adjudicated bankrupt or insolvent, or Tenant shall file any agreement under the United States Bankruptcy Code or any state insolvency act, or a receiver or trustee for Tenant's property shall be appointed in any proceeding other than a bankruptcy proceeding and such appointment shall not be vacated within one hundred twenty (120) days after it has been made, or the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the demised premises.

15. **HOLDOVER.** Immediately upon termination of this Lease by expiration of the lease term or any option term or otherwise, Tenant and any assignee or sub-Tenant will quit and immediately deliver possession of the demised premises to Landlord without notice or process of law, unless Landlord consents to holdover while in negotiation of terms of extension. Unless otherwise agreed in writing, during any period of holding the amount of each monthly installment of rent shall be an amount equal to 150% of the rent otherwise payable under paragraph 2 of this Lease.

16. **LITIGATION / ATTORNEYS FEES AND COSTS.** Should either party deem it necessary or advisable to employ counsel to file suit to enforce the terms of this agreement, then the prevailing party shall be entitled to an award of all damages and costs of collection, including reasonable attorney's fees as determined by the Court in such action.

17. **WAIVER.** The failure of either party hereto to insist upon strict performance by the other party of any of the covenants, conditions and agreements of this Lease shall not be deemed a waiver of any rights or remedies provided by law or in this agreement.

18. **COVENANT OF TITLE.** Landlord covenants that it has full right, power and authority to make this Lease and that Tenant, upon payment of the rentals and performance of Tenant's covenants hereunder, shall and may peaceably and quietly have, hold and enjoy the property and improvements thereon during the term of this Lease without any interruption by the Landlord, its successors or assigns, or any personnel lawfully claiming through it.

19. **LANDLORD'S NON-LIABILITY FOR DAMAGES.** Landlord shall not be responsible for liability or damage claims for injury to persons or to property for any cause related to the occupancy or use of the premises by Tenant. Tenant shall, to the maximum extent permitted by law, protect, defend, indemnify and hold Landlord harmless from all liability, loss or other damage claims or obligations resulting from any injuries, damages or losses, including injuries, damages or losses caused in whole or in part by negligence or fault on the part of or chargeable to Landlord, and including reasonable attorney's fees incurred by Landlord in defending any such claims.

20. **SURRENDER OF POSSESSION.** Tenant agrees to surrender peaceable possession of said premises to Landlord upon the expiration or earlier termination of this lease in good order and condition, ordinary wear and tear excepted.

21. **BROKERS.** Landlord and Tenant each warrant to the other that it has not dealt with any broker or agent other than **ARNOLD GROUP**, in connection with this Agreement. **LANDLORD** shall be solely responsible for payment of any commissions due to the said broker or agent in connection with the transaction which is the subject of this Agreement. Landlord and Tenant shall each indemnify the other against all costs, attorneys' fees and other liabilities for commissions or other compensation claimed by any broker or agent claiming the same by, through, or under the indemnifying party.

22. **ESTOPPEL CERTIFICATE.** Each party shall at any time, upon the written request of the other party, execute, acknowledge and deliver to the other party a statement in writing certifying that this Agreement is unmodified and in full force and effect (or if modified, stating the nature of such modification and certifying that the Agreement as modified is in full force and effect), the dates to which the rent and other charges are paid in advance, if any, and acknowledging that there are not, to that party's knowledge, any uncured defaults on the part of the other party hereunder, or specifying such defaults if any are claimed. The parties hereto agree that any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the Premises. Either party's failure to deliver such statement within ten (10) days after the other party's written request for the same, shall be conclusive upon the non-responding party that: (i) this Agreement is in full force and effect; (ii) there are no uncured defaults in the other party's performance; and (iii) not more than one (1) month's rent or other charge has been paid in advance.

23. **SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT.** Within ten (10) days after receipt of any request by Landlord, Tenant will subordinate its rights under this Lease to the lien of any mortgage or deed of trust, whether now in existence or in the future acquired or created, as to all advances made or hereafter to be made, provided that such instrument of subordination shall recognize Tenant's rights under this

lease in the event of foreclosure or exercise of power of sale under such lien so long as Tenant is not in default hereunder. If any foreclosure proceedings are brought, or if the exercise of any power of sale under any mortgage or deed of trust occurs, or if Landlord transfers the property by deed in lieu of foreclosure, Tenant shall attorn to the purchaser and recognize such purchaser as Landlord under this Lease, and shall have no right to assert the occurrence of a termination of this Lease as a result of such foreclosure or transfer.

25. **MODIFICATION.** No provision hereof may be modified, amended or waived except by written agreement signed by the parties.

26. **HEADINGS AND CAPTIONS.** The subject heading and captions are included for convenience purpose only and shall not affect the interpretation of this agreement.

27. **SEVERABILITY.** If any portion of this Agreement shall be held invalid or unenforceable, such determination shall not impair the enforceability of the remaining terms and provisions.

28. **JOINT PREPARATION.** This Agreement shall be deemed to have been prepared jointly by the parties hereto, and any uncertainty or ambiguity which exists herein shall not be interpreted against any party by reason of its preparation or drafting of this Agreement; rather, any such uncertainty or ambiguity shall be interpreted according to the general rules of interpretation of arms' length agreements.

29. **NOTICES.** Any notice to be given under this Lease by Landlord or Tenant shall be given in writing and shall be mailed by certified mail to Tenant or Landlords, as appropriate, addressed as follows:

LANDLORD: GREG UPPERMAN
41 Ramey Road
Starkville, MS 39759
1 -662-769-7856
gupperman@gmail.com

TENANT: ZACHARY GIBSON
1809 MAGNOLIA
JONESBORO, AR 72401
870-565-2808
zachargi2323@gmail.com
DOB 4/20/93
489-08-7836
314-225-1406

or such other address as Landlord or Tenant may direct in writing from time to time. Any notice so given shall be deemed given when mailed.

32. RECORDING. This Agreement shall not be recorded but a Memorandum of Agreement describing the property herein described, giving the term of this Agreement and describing the additional rights and options granted thereby, may be recorded by either party at its expense.

33. GOVERNING LAW. This Lease shall be governed exclusively by the provisions hereof and by the laws of the State of Arkansas.

34. BINDING EFFECT. The conditions, covenants and agreements herein contained shall bind and inure to the benefit of the parties, their heirs, successors and assigns.

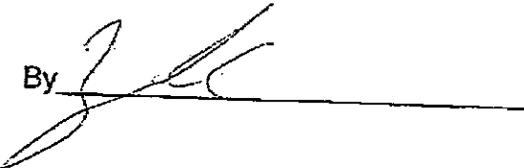
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on

the date written above.

DocuSigned by:
By Greg Upperman
ED58967BDA3647C... 3/27/2017 | 14:23 PM CDT
GREG UPPERMAN

DocuSigned by:
By Greg and Danni Upperman
258120C38EECA59... 3/27/2017 | 14:31 PM CDT
DANNI UPPERMAN

LANDLORD

By 

ZACHARY N. GIBSON

TENANT AND PERSONAL GUARANTOR

Property Detail

Craighead County Personal Property & Real Estate Tax Records

Property Information	
Parcel #:	01-144054-01200
Tax Year/ Book:	2017 Current
Legal:	PT NW SE
Property Type:	Real Estate
Owner:	UPPERMAN GREG & DANNI
Tax Payer:	LERETA 1123 PARK VIEW DR COVINA, CA 91724
Site Address:	1809 MAGNOLIA RD
Subdivision:	
Lot Block:	
S-T-R:	05-14-04
Acres:	0.74
Tax Status:	Non-Exempt
Total Mandatory:	\$948.92
Tax Paid:	-\$948.92
Balance:	\$0.00

Receipts							
Receipt #	Book	Tax Year	ReceiptDate	Cash Amt	Check Amt	Credit Amt	Total
<u>10570</u>	Current	2017	5/1/2018	\$0.00	\$137,087.91	\$0.00	\$137,087.91
<u>9523</u>	Current	2016	5/4/2017	\$0.00	\$118,965.87	\$0.00	\$118,965.87

Historical Receipts

Receipt #	Tax Year	Date Paid	Tax Owed	Tax Paid	Balance
<u>13670</u>	2015	5/5/2016	\$948.92	\$948.92	\$0.00
<u>20266</u>	2014	4/27/2015	\$948.92	\$948.92	\$0.00
<u>2229</u>	2013	4/11/2014	\$948.92	\$948.92	\$0.00
<u>2276</u>	2012	4/9/2013	\$948.92	\$948.92	\$0.00
<u>2414</u>	2011	4/9/2012	\$995.77	\$995.77	\$0.00

2017 Tax Information

Tax Type	Tax Description	District	Exempt	Assessed Value	Tax Owed	Tax Paid	Balance
AV	Ad Valorem	J JB	Non-Exempt	\$30,780.00	\$1,298.92	-\$948.92	\$350.00
HC	Homestead Credit	J JB	Non-Exempt	\$30,680.00	-\$350.00	\$0.00	-\$350.00

Wes Eddington, Collector
 Phone: (870) 933-4560

CRAIGHEAD COUNTY ARKANSAS
Proof Of Payment

For Tax Year 2017

Taxpayer

LERETA
 1123 PARK VIEW DR
 COVINA, CA 91724

Orig Receipt No.: 10570

Amt Paid:	Cash Amount	\$0.00
	Check Amount	\$137,087.91
	Credit Card Amount	\$0.00
	Total	\$137,087.91

Date Paid: 5/1/2018

Parcel Info

Parcel/PPAN : 01-144054-01200
 Tax Year : 2017
 Property Type: Real Estate
 Owner Name: UPPERMAN GREG & DANNI
 Property Address: 1809 MAGNOLIA RD
 Subdivision:
 Lot:
 Block:
 Sec-Twp-Rng: 05-14-04
 Acres: 0.74
 Legal Description: PT NW SE

Tax Type	Taxes Owed	Taxes Paid	Taxes Balance
Ad Valorem	\$1,298.92	-\$948.92	\$350.00
Homestead Credit	-\$350.00	\$0.00	-\$350.00
Total:	\$1,298.92	-\$948.92	\$0.00

DISCLAIMER: This proof of payment was created from the best available data from the collector's office as of 11/1/2018. The paid status of taxes is subject to change due to NSF checks, refunds, partial payment and other conditions. If you have any questions about the information contained herein please contact the collector's office.

UPPERMAN GREG & DANNI

1809 MAGNOLIA RD
 JONESBORO, AR 72401-


[Basic](#)
[Land](#)
[Sales](#)
[Valuation](#)
[Taxes](#)
[Receipts](#)
[Improvements](#)
[Map View](#)

Basic Info

Parcel Number:	01-144054-01200
County Name:	Craighead County
Mailing Address:	UPPERMAN GREG & DANNI 1809 MAGNOLIA JONESBORO AR 72401
Property Address:	UPPERMAN GREG & DANNI 1809 MAGNOLIA RD JONESBORO, AR 72401- Map This Address
Billing Address 	LERETA 1123 PARK VIEW DR COVINA, CA 91724
Total Acres:	0.74
Timber Acres:	0.00
Sec-Twp-Rng:	05-14-04
Lot/Block:	/
Subdivision:	
Legal Description:	PT NW SE
School District:	J JB JONESBORO CITY
Homestead Parcel?:	Yes
Tax Status:	Taxable
Over 65?:	No









