IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF ARKANSAS
TEXARKANA DIVISION

IN RE: RAY ROGERS TIMBER COMPANY, INC.

CASE NO. 4:17-BK-71461
CHAPTER 11

MOTION FOR AUTHORITY TO SELL REAL PROPERTY AT PRIVATE SALE FREE AND CLEAR OF LIENS AND NOTICE OF OPPORTUNITY TO OBJECT

Comes now, Debtor-in-Possession, Ray Rogers Timber Company, Inc., (the "Debtor") by and through its undersigned attorney, and files this its Motion for Authority to Sell Real Property at Private Sale Free and Clear of Liens and Notice of Opportunity to Object and moves for an Oder of the Court authorizing the sale of the real property described herein, free and clear of liens. In support of this Motion, the Debtor alleges and states as follows:

JURISDICTION

1. This motion is made pursuant to 28 U.S.C. §1334. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §1334. Venue of this case and the Application in this district are proper pursuant to 28 U.S.C. §1408 and 1409. This is a core proceeding.

BACKGROUND

2. On June 7, 2017 (the "Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtor has managed its affairs as a Debtor-in-possession pursuant to §§1107(a) and 1108 of the Bankruptcy Code.

3. The Debtor is engaged in the business of cutting and selling timber, in the ordinary course of its business.

4. The Debtor seeks to sell his legal and equitable interests in certain real property and improvements owned by the Debtor generally located at 2325 Hwy. 371 West, Nashville, Arkansas 71852 (the "Real Property"). This parcel is more particular described in the Real Estate Contract

dated December 6, 2017, attached hereto as **Exhibit "A"** (the "Real Estate Contract") to Roger Chandler and Karon Chandler, husband and wife (the "Buyers"), for the sale price of $74,400.00.

5. The Debtor proposes to close on the Real Property with a proposed date of March 30, 2018 (the "Closing Date").

6. At closing the Debtor proposes (a) to pay the past due withholding wage taxes owed to the State of Arkansas, Department of Finance and Administration (the "State") in the approximate amount of $1,281.06, as set forth in the State's Secured Claim No. 5, a copy of which is attached hereto as **Exhibit "B "**; and (b) to pay all remaining proceeds from the sale toward the allowed secured claims of First State Bank of DeQueen (the "Bank"), which holds the Real Property as collateral, thereby lowering the debt currently owing to the Bank.

7. The State shall release its lien against the Real Property in satisfaction of its receipt of the funds from the sale of said Real Property, and will record a Release of the Certificate of Indebtedness with Howard County, Arkansas.

8. The Bank, which is the largest secured creditor of Debtor, currently holds the real property as collateral for multiple loans to the Debtor of which approximately $1,700,000 is currently due.

9. The Real Property is a single-family residence, which is not used in or vital to Debtor's business or the reorganization.

10. Debtor and the purchaser have had extensive negotiations with respect to the purchase price, with resulting price being reached in an arms-length transaction and is a fair price that maximizes value to the estate through debt reduction.

11. The Bank will sign a release of the real property collateral in order to transfer the real property to the Buyers.

12. The Real Property will be sold in accordance with 11 U.S.C. §363 and the Federal Rules of Bankruptcy Procedure. This sale is on a strictly "as is, where is" basis with no warranties being extended except as to title.

13. The Debtor further requests that all liens, claims, rights, and encumbrances of all parties, if any, in the Real Property being sold, and the proceeds received from the sale thereof, be preserved for future determination by this Court.

14. Debtor is making a diligent attempt to pay off or lower its debt by selling said Real Property. The sale of the Real Property will enable the Debtor to obtain proceeds that will subsequently be distributed to secured and priority creditors.

15. The Debtor believes that the sale of the Real Property will generate proceeds to assist in lowering its debt with current creditors and will benefit this estate.

RELIEF REQUESTED

16. By this motion, the Debtor seeks entry of an order:

a. Authorizing the Debtor to sell its Real Property as described above in an aggregate principal amount of up to $74,400.00 as indicated in the attached Real Estate Contract to the Buyers, with a Closing Date of sometime in the proximity of March 30, 2018;

b. Authorizing the Debtor to make payment from the proceeds of the sale to the State of Arkansas, Department of Finance & Administration, in the approximate amount of $1,281.06, and the State thereby releasing its lien against the Real Property and recording said Release in the Howard County, Arkansas; and

c. Authorizing the Debtor to make payment of all remaining proceeds from the sale of the Real Property, held as collateral by First State Bank of DeQueen, directly to the Bank to be applied toward loans held by the Debtor with the Bank, with the Bank releasing the Real Property to be transferred to the Buyers.

17. The relief sought is appropriate, reasonable, and in the best interest of the Debtor, its estate, and its creditors.

18. A proposed order is submitted herewith as **Exhibit "C."**

NOTICE

19. **NOTICE IS HEREBY GIVEN THAT OBJECTIONS, RESPONSES AND/OR REQUESTS FOR A HEARING BEFORE THE BANKRUPTCY JUDGE, IF ANY, AS TO THE FOREGOING MOTION, SHALL BE IN WRITING AND FILED WITH THE CLERK OF THE BANKRUPTCY COURT, 300 W. SECOND STREET, LITTLE ROCK, AR 72201, AND SERVED UPON THE DEBTOR'S COUNSEL AND THE TRUSTEE AT THE ADDRESS(ES) NOTED BELOW NO LATER THAN TEN (10) DAYS AFTER SERVICE OF THIS NOTICE, AS REQUESTED BY A MOTION TO SHORTEN TIME FILED WITH THE COURT REQUESTING THE TIME BE SHORTENED. ANY OBJECTIONS NOT TIMELY FILED AND SERVED MAY BE DEEMED WAIVED**.

IF AN OBJECTION IS TIMELY FILED AND SERVED, A HEARING ON THE MOTION WILL BE HELD, WHICH WILL BE SUBSEQUENTLY NOTICED BY THE COURT.

IF NO OBJECTIONS ARE TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

WHEREFORE, the Debtor respectfully requests that the Court enter an order authorizing the sale of its Real Property by private sale, with the terms of the sale described above, free and clear of all liens, claims, rights, and encumbrances.

Debtor further prays that all liens, claims, rights, and encumbrances be transferred to the proceeds of the sale and for all such other and further relief to which it may be entitled and as the Court may deem proper

Respectfully submitted,

RAY ROGERS TIMBER COMPANY, INC.
Debtor-in-Possession

By: ______________________________

Rufus E. Wolff (AR Bar No. 85175)
WOLFF & WARD, PLLC
900 S. Shackleford Rd., Ste. 615
Little Rock, AR 72211
(501) 954-8000 Fax: (866) 419-1601
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 14th day of March, 2018, a true and correct copy of the above and foregoing Motion for Authority to Sell and Notice of Opportunity to Object was served via the CM/ECF electronic noticing system upon the U.S. Trustee, 200 W. Capitol Ave., Ste. 1200, Little Rock, AR 72201 and all other parties-in-interest receiving ECF notice; and upon all other creditors and parties-in-interest indicated on the case mailing matrix attached hereto by first class U.S. mail, postage pre-paid.

____
Rufus E. Wolff

Real Estate Contract (Residential)

STAVELY REAL ESTATE

FORM SERIAL NUMBER: *062158-300151-2581068*

1. PARTIES: *Roger Chandler*

(individually or collectively, the "Buyer") offers to purchase, subject to the terms and conditions set forth herein, from the undersigned (individually or collectively, the "Seller"), the real property described in Paragraph 2 of this Real Estate Contract (the "Property"):

2. This Property is [X] Single family detached home with land [ ] One-to-four attached dwelling with land [ ] Manufactured / Mobile Home with land [ ] Condominium / Town Home (See Condominium/Town Home Addendum attached)

ADDRESS AND LEGAL DESCRIPTION:

~~2523~~ *Highway 371 West Nashville AR 71852*

R.C. 2325

3. PURCHASE PRICE: Subject to the following conditions, Buyer shall pay the following to Seller and, if so stated in Paragraph 3B assume the following obligations of Seller for the Property (the "Purchase Price"):

[X] **A. PURCHASE PURSUANT TO NEW FINANCING:** Subject to Buyer's ability to obtain financing on the terms and conditions set forth herein and the Property appraising for not less than the Purchase Price, the Purchase Price shall be the exact sum of .... $ *74,400.00*

Down payment, loan amount, interest rate and other terms of financing to be negotiated between Buyer and creditor.

Loan type will be:

[ ] **CONVENTIONAL.**

[ ] **VA.** ***(Continues on Page 2 for "VA NOTICE TO BUYER")***

[ ] **FHA.** ***(Continues on Page 2, for "FHA NOTICE TO BUYER")***

[X] **USDA-RD.**

[ ] **OTHER FINANCING: Subject to Buyer's ability to obtain financing (other than stated above) as follows:**

[ ] **B. PURCHASE PURSUANT TO LOAN ASSUMPTION (See Loan Assumption Addendum attached)**

[ ] **C. PURCHASE PURSUANT TO CASH:** Cash at Closing in the exact sum of........ $ ______

EXHIBIT "A"

Real Estate Contract (Residential)

FORM SERIAL NUMBER: ***062158-300151-2581068***

3. PURCHASE PRICE: (continued from Page 1)

☐ **IF LOAN TYPE IS VA, I ACKNOWLEDGE THE FOLLOWING "VA NOTICE TO BUYER:"** It is expressly agreed, notwithstanding any other provisions of this Real Estate Contract, Buyer shall not incur any penalty by forfeiture of Earnest Money or otherwise be obligated to complete this purchase of the Property described herein, if the Real Estate Contract Purchase Price or cost exceeds the reasonable value of the Property established by the Department of Veterans Affairs. Buyer shall, however, have the privilege and option of consummating this Real Estate Contract without regard to the amount of the reasonable value of the Property established by the Department of Veterans Affairs. If Buyer elects to complete the purchase at an amount in excess of the reasonable value established by the Department of Veterans Affairs, Buyer shall pay such excess amount in cash from a source which Buyer agrees to disclose to the Department of Veterans Affairs and which Buyer represents will not be from borrowed funds. If Department of Veteran's Affairs reasonable value of the Property is less than the Purchase Price, Seller may reduce the Purchase Price to an amount equal to the Department of Veterans Affairs reasonable value and the parties to the sale shall close at such lower Purchase Price with appropriate adjustments to Paragraph 3 above.

☐ **IF LOAN TYPE IS FHA, I ACKNOWLEDGE THE FOLLOWING "FHA NOTICE TO BUYER:"** It is expressly agreed, notwithstanding any other provisions of this Real Estate Contract, Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money Deposits or otherwise unless Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the Property of not less than $____________. Buyer shall have the privilege and option of consummating this Real Estate Contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

We hereby certify the terms and conditions of this Real Estate Contract are true to the best of our knowledge and belief and any other agreement entered into by any of the parties in connection with this real estate transaction is part of, or attached to, this Real Estate Contract.

☐ **Buyer has received HUD/FHA's Form No. HUD-92564-CN, "For Your Protection: Get a Home Inspection."**

Real Estate Contract (Residential)

FORM SERIAL NUMBER: *062158-300151-2581068*

4. AGENCY: (check all that apply)

☐ **A. LISTING FIRM AND SELLING FIRM REPRESENT SELLER:** Buyer acknowledges Listing Firm and Selling Firm and all licensees associated with those entities are the agents of Seller and it is Seller who employed them, whom they represent, and to whom they are responsible. Buyer acknowledges that before eliciting or receiving confidential information from Buyer, Selling Firm, which may be the same as Listing Firm, verbally disclosed that Selling Firm represents Seller

☐ **B. LISTING FIRM REPRESENTS SELLER AND SELLING FIRM REPRESENTS BUYER:** Buyer and Seller acknowledge Listing Firm is employed by Seller and Selling Firm is employed by Buyer. All licensees associated with Listing Firm are employed by, represent, and are responsible to Seller. All licensees associated with Selling Firm are employed by, represent, and are responsible to Buyer. Buyer acknowledges Selling Firm verbally disclosed Listing Firm represents Seller. Seller acknowledges Listing Firm verbally disclosed Selling Firm represents Buyer.

☒ **C. LISTING FIRM AND SELLING FIRM ARE THE SAME AND REPRESENT BOTH BUYER AND SELLER:** Seller and Buyer hereby acknowledge and agree Listing and Selling Firm are the same and all licensees associated with Listing and Selling Firm are representing both Buyer and Seller in the purchase and sale of the above referenced Property and Listing/Selling Firm has been and is now the agent of both Seller and Buyer with respect to this transaction. Seller and Buyer have both consented to and hereby confirm their consent to agency representation of both parties. Further, Seller and Buyer agree:

(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, Buyer and Seller agree 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 4C, Buyer and Seller acknowledge when Listing/Selling Firm represents both parties, a possible conflict of interest exists, and Seller and Buyer further agree to forfeit their individual right to receive the undivided loyalty of Listing/Selling Firm.

(iii) to waive any claim now or hereafter arising out of any conflicts of interest from Listing/Selling Firm representing both parties. Buyer and Seller acknowledge Listing/Selling Firm verbally disclosed Listing/Selling Firm represents both parties in this transaction, and Buyer and Seller have given their written consent to this representation before entering into this Real Estate Contract.

☐ **D. SELLING FIRM REPRESENTS BUYER (NO LISTING FIRM):** Seller acknowledges Selling Firm and all licensees associated with Selling Firm are the agents of Buyer and it is Buyer who employed them, whom they represent, and to whom they are responsible. Seller acknowledges that at first contact, Selling Firm verbally disclosed that Selling Firm represents Buyer. Any reference to "Listing Firm" in this Real Estate Contract will be considered to mean Selling Firm, both Buyer and Seller acknowledging that all real estate agents (unless Seller is a licensed Real Estate Agent) involved in this Real Estate Contract only represent Buyer.

☐ **E. NON-REPRESENTATION:** See Non-Representation Disclosure Addendum

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5. **LOAN AND CLOSING COSTS:** Unless otherwise specified, all of Buyer's closing costs, including origination fees, assumption fees, loan costs, prepaid items, loan discount points, closing fee, and all other financing fees and costs charged by Buyer's creditor or any additional fees charged by Closing Agent(s), are to be paid solely by Buyer except for costs that cannot be paid by Buyer. If Buyer is obtaining a VA or FHA loan, the "Government Loan Fees" shall be paid by Seller, up to the sum of $*4,400.00* (the "Seller Loan Cost Limit"), which is not included in any loan or closing cost provisions listed below. Notwithstanding any provision to the contrary, should the Government Loan Fees exceed the Seller Loan Cost Limit, Seller shall have the option to either pay such excess amount or terminate this Real Estate Contract and have the Earnest Money returned to Buyer. Seller is to pay Seller's closing costs. *buyer and seller to equally split revenue stamps and closing agents fee*

   Should Buyer be entitled to a credit at Closing for repairs pursuant to Paragraph 16 of this Real Estate Contract, the amount of such credit shall be reflected on the settlement statement(s). Buyer and Seller warrant all funds received by Buyer from Seller (or other sources) will be disclosed to the Closing Agent(s) and reflected on the settlement statement(s).

6. **APPLICATION FOR FINANCING:** If applicable, Buyer agrees to make a complete application for new loan or for loan assumption within five (5) business days from the acceptance date of this Real Estate Contract. In order to make a complete application as required by this Paragraph 6, Buyer agrees to provide creditor with any requested information and pay for any credit report(s) and appraisal(s) required upon request. Unless otherwise specified, if said loan is not consummated or assumed, Buyer agrees to pay for loan costs incurred, including appraisal(s) and credit report(s), unless failure to consummate is solely the result of Seller's breach of this Real Estate Contract, in which case such expenses will be paid by Seller. Buyer understands failure to make a complete loan application as defined above may constitute a breach of this Real Estate Contract.

7. **EARNEST MONEY:**

   ☐ **A.** Yes, see Earnest Money Addendum.

   ☒ **B.** No.

8. **NON-REFUNDABLE DEPOSIT:** The Non-Refundable Deposit (hereinafter referred to as the "Deposit") is funds tendered by Buyer to Seller to compensate Seller for liquidated damages that may be incurred by Seller resulting from Buyer failing to close on this Real Estate Contract. The liquidated damages shall include, but not be limited to, Seller's time, efforts, expenses and potential loss of marketing due to Seller's removal of Property from market. The Deposit is not refundable to Buyer unless failure to close is exclusively the fault of Seller or if Seller cannot deliver marketable title to the Property. The Deposit will be credited to Buyer at Closing. Buyer shall hold Listing Firm and Selling Firm harmless of any dispute regarding Deposit. Buyer expressly acknowledges The Deposit is not to be held by either Listing Firm or Selling Firm. The Deposit may be commingled with other monies of Seller, such sum not being held in an escrow, trust or similar account.

   ☒ **A.** The Deposit is not applicable.
   If Buyer is obtaining Government Financing (FHA, VA or other) Deposit is not applicable.

   ☐ **B.** Buyer will pay to Seller the Deposit in the amount of $__________

   ☐ i. Within________ days following the date this Real Estate Contract has been signed by Buyer and Seller.

   ☐ ii. Within three (3) business days of execution of Paragraph 4(a) of the Inspection, Repair & Survey Addendum.

   ☐ iii. Other:____________________

9. **CONVEYANCE:** Unless otherwise specified, conveyance of the Property shall be made to Buyer by general warranty deed, in fee simple absolute, except it shall be subject to recorded instruments and easements, if any, which do not materially affect the value of the Property. Unless expressly reserved herein, **SUCH CONVEYANCE SHALL INCLUDE ALL MINERAL RIGHTS OWNED BY SELLER CONCERNING AND LOCATED ON THE PROPERTY, IF ANY, UNLESS OTHERWISE SPECIFIED IN PARAGRAPH 30. IT IS THE RESPONSIBILITY OF THE BUYER TO INDEPENDENTLY VERIFY AND INVESTIGATE THE EXISTENCE OR NONEXISTENCE OF MINERAL RIGHTS AND ANY LEGAL RAMIFICATIONS THEREOF.** Seller warrants and represents only signatures set forth below are required to transfer legal title to the Property. Seller also warrants and represents 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, leaseholds or other interests.

Real Estate Contract (Residential)

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10. TITLE REQUIREMENTS: Buyer and Seller understand Listing Firm and Selling Firm are not licensed title insurance agents as defined by Arkansas law and do not and cannot receive direct or indirect compensation from any Closing Agent regarding the closing process or the possible purchase of title insurance by one or more of Buyer and Seller. An enhanced version of title insurance coverage may be available to Buyer for this transaction. Discuss enhanced title insurance coverage with your title insurance provider to determine availability and features.

☐ **A.** Seller shall furnish, at Seller's cost, a complete abstract reflecting merchantable title to Buyer or Buyer's Attorney.

☐ **B.** Seller shall furnish, at Seller's cost, an owner's policy of title insurance in the amount of the Purchase Price. If a loan is secured for the purchase of the Property, Buyer agrees to pay mortgagee's portion of title policy. If Buyer elects to obtain enhanced title insurance coverage, Buyer shall pay for the increase in title insurance cost in excess of the cost of a standard owner's title policy.

☒ **C.** Buyer and Seller shall equally split the cost of a combination owner's and mortgagee's policy of title insurance, either standard or enhanced (if enhanced coverage is desired by Buyer and available), in the amount of (as to owner's) the Purchase Price and (as to mortgagee's) the loan amount (not to exceed the Purchase Price).

☐ **D.** Other: ____________________

Buyer shall have the right to review and approve a commitment to provide title insurance prior to Closing. If objections are made to Title, Seller shall have a reasonable time to cure the objections. Regardless of the policy chosen, Buyer and Seller shall have the right to choose their Closing Agent(s).

11. SURVEY: Buyer has been given the opportunity to obtain a new certified survey. Should Buyer decline to obtain a survey as offered in Paragraph 11A of this Real Estate Contract, Buyer agrees to hold Seller, Listing Firm and Selling Firm involved in this Real Estate Contract harmless of any problems relative to any survey discrepancies that may exist or be discovered (or occur) after Closing.

☐ **A.** A new survey satisfactory to Buyer, certified to Buyer within thirty (30) days prior to Closing by a registered land surveyor, showing all improvements, easements and any encroachments will be provided and paid for by:

☐ Buyer ☐ Seller ☐ Equally split between Buyer and Seller.

☒ **B.** No survey shall be provided.

☐ **C.** Other: ____________________

Should Buyer agree to accept the most recent survey provided by Seller, this survey is for information purposes only and Buyer will not be entitled to the legal benefits of a survey certified in Buyer's name.

12. PRORATIONS: Taxes and special assessments due on or before Closing shall be paid by Seller. Any deposits on rental Property are to be transferred to Buyer at Closing. Insurance, general taxes, special assessments, rental payments and interest on any assumed loan shall be prorated as of Closing, unless otherwise specified herein. Buyer and Seller agree to prorate general ad valorem taxes based on the best information available at Closing. Buyer and Seller agree to hold any Closing Agent(s) selected by Buyer and Seller, Listing Firm and Selling Firm harmless for error in such tax proration computation caused by unknown facts or erroneous information (or uncertainty) regarding the Homestead Tax Exemption adopted by the voters of the State of Arkansas in the Year 2000, as amended from time to time.

13. FIXTURES AND ATTACHED EQUIPMENT: Unless specifically excluded herein all fixtures and attached equipment, if any, are included in the Purchase Price. 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, antennas, fireplace inserts, ____________________

and any other items bolted, nailed, screwed, buried or otherwise attached to the Property in a permanent manner. Television satellite receiver dish, cable wiring, water softeners, and propane and butane tanks also remain, if owned by Seller. Buyer is aware the following items are not owned by Seller or do not convey with the Property: ____________________.

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14. OTHER CONTINGENCY:

[X] **A.** No Other Contingency. (Except for those conditions listed elsewhere in this Real Estate Contract.) It is understood and agreed Seller has the right to enter into subordinate Real Estate Contracts and other Real Estate Contracts shall not affect this Real Estate Contract.

[ ] **B.** This Real Estate Contract is contingent upon:

____

____

____

on or before (month)______________ (day)______, (year)__________.

During the term of this Real Estate Contract **(Select one)**:

[ ] **(i) Binding with Escape Clause:** Seller has the right to continue to show the Property and solicit and enter into another Real Estate Contract on this Property. However, all Real Estate Contracts shall be subject to termination of this Real Estate Contract. Should Seller elect to provide written notice of an additional Real Estate Contract being accepted by Seller, Seller shall utilize the "Seller's Contingency Notice Addendum" (the "Notice") and Buyer shall have __________ hours to remove this contingency. Buyer shall be deemed in receipt of the Notice upon the earlier of (a) actual receipt of the Notice, or (b) five (5) business days after Seller or Listing Firm deposits the Notice in the United States mail, certified for delivery to Buyer at ______________________________ with sufficient postage to ensure delivery. Removal of this contingency shall occur only by delivery of Notice, in a manner ensuring actual receipt, to Seller or Listing Firm. Time is of the essence. In the event Buyer removes the contingency and does not perform on this Real Estate Contract for any reason concerning this contingency, Seller may assert all legal or equitable rights that may exist as a result of Buyer breaching this Real Estate Contract. Alternatively, Seller at his sole and exclusive option, may retain the Earnest Money, as liquidated damages. If this contingency is removed, a Closing date shall be agreed upon by the parties. If a Closing date is not agreed upon, Closing shall occur ________ calendar days from removal. Should Buyer not remove this contingency as specified, this Real Estate Contract shall be terminated with Buyer and Seller both agreeing to sign a Termination of Contract Addendum with Buyer to recover Earnest Money. All time constraints in this Real Estate Contract referred to in Paragraphs 6, 16B, 17, 18 19B, 20B, and 21 refer to the time Buyer removes the contingency.

[ ] **(ii) Binding without Escape Clause:** It is understood and agreed Seller has the right to enter into subordinate Real Estate Contracts and any subordinate Real Estate Contracts entered into by Seller shall not affect this Real Estate Contract.

15. HOME-WARRANTY PLANS: Buyer 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 Buyer, and Buyer chooses:

[X] **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.

[ ] **B.** A limited one-year home-warranty plan will be provided to Buyer concerning the condition of the Property and will be paid for by ______________ at a cost not to exceed $__________ plus sales tax. This home-warranty contract will not imply any warranty by Seller after Closing. Coverages vary and the coverage received is 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:______________________________

Real Estate Contract (Residential)

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16. INSPECTION AND REPAIRS:

[X] **A.** Subject to Paragraph 25, the sale of the Property, in its condition as existing on the date Buyer signed this Real Estate Contract, shall take place on an "AS IS, WHERE IS, WITH ALL FAULTS BASIS" and Buyer acknowledges and agrees to voluntarily waive and decline any right to further inspect or require repair of the Property. An example are the rights declined and waived by Buyer in Paragraph 16B of this Real Estate Contract.

[ ] **B.** Buyer shall have the right, at Buyer's expense, with the cooperation of Seller, to inspect the electrical, mechanical, plumbing, environmental conditions, appliances, and all improvements, structure(s) and components on or about the Property (collectively the "Inspection Items") within TEN (10) BUSINESS DAYS after the date this Real Estate Contract is accepted. Seller, Listing Firm and Selling Firm recommend Buyer use a representative(s) chosen by Buyer to inspect Inspection Items. **Buyer is not relying on Listing Firm or Selling Firm to choose a representative to inspect or re-inspect Inspection Items; Buyer understands any representative desired by Buyer may inspect or re-inspect Inspection Items.** Buyer shall neither make nor cause to be made, unless authorized by Seller in writing, any invasive or destructive Buyer inspections or investigations. Seller agrees to have all utilities connected and turned on to Property to allow Buyer to inspect and re-inspect Inspection Items. If Property being purchased is not new, Buyer acknowledges Inspection Items may not be new. Buyer does not expect Inspection Items to be like new and recognizes ordinary wear and tear to Inspection Items is normal. For the purpose of this Paragraph 16B, "normal working order" means that Inspection Items function for the purpose for which they are intended. The fact any or all Inspection Items may cease to be in normal working order, be discovered or occur, after Closing, shall not require repair by Seller, or provide legal or other liability to Seller, Listing Firm or Selling Firm.

If Buyer elected to inspect the Inspection Items, Buyer shall deliver an Inspection, Repair and Survey Addendum to Seller or Listing Firm within the allotted ten (10) business day period so the Inspection, Repair, and Survey Addendum is actually received by Seller or Listing Firm within the allotted (10) business day period, stating inspections have been performed and listing all items Buyer requests the Seller to repair or stating no repairs are requested. If Buyer is not satisfied with a personal or professional inspection and elects to terminate this Real Estate Contract, both Buyer and Seller agree to sign a Termination of Contract Addendum with Buyer to recover Earnest Money. If Buyer requests repairs, Seller shall have (5) business days to respond to the Buyer's repair request. If Seller does not respond within the allotted (5) business days, Buyer may elect to: (1) accept Property in its condition at Closing, or (2) terminate this Real Estate Contract and recover Earnest Money and both Buyer and Seller agree to sign a Termination of Contract Addendum.

If Buyer and Seller are not able to negotiate requested repairs, Buyer and Seller agree this Real Estate Contract is terminated and further agree to sign a Termination of Contract Addendum. **IN THE EVENT BUYER DOES NOT MAKE THE NECESSARY REQUIRED INSPECTIONS OR DOES NOT PRESENT THE INSPECTION, REPAIR AND SURVEY ADDENDUM TO SELLER OR LISTING FIRM IN THE ALLOTTED TEN (10) BUSINESS DAY TIME PERIOD, BUYER WAIVES ALL RIGHTS TO A RE-INSPECTION AND ASSUMES COMPLETE RESPONSIBILITY FOR ANY AND ALL FUTURE REPAIRS AND THE CONDITION OF THE PROPERTY.**

If Buyer timely inspected Property and Seller received the Inspection, Repair and Survey Addendum within the time period set forth above, Buyer shall have the right to re-inspect all Inspection Items immediately prior to Closing to ascertain whether Inspection Items are in normal working order and to determine whether all requested and accepted repairs have been made. If Inspection Items are found not to be in normal working order upon re-inspection, Buyer may elect to: (1) accept Property in its condition at Closing, or (2) terminate this Real Estate Contract and recover the Earnest Money and, in the event termination is elected, both Buyer and Seller agree to sign a Termination of Contract Addendum.

If Buyer closes on Property believing conditions exist at Property that require repair as allowed by this Paragraph 16B, Buyer waives all right to assert a claim against Seller, Selling Firm or Listing Firm concerning the condition of Property. Buyer understands and agrees that, pursuant to the terms of Paragraph 16B, Buyer will be accepting Property at Closing "AS IS, WHERE IS AND WITH ALL FAULTS".

Real Estate Contract (Residential)

FORM SERIAL NUMBER: ***062158-300151-2581068***

17. THIRD PARTY REQUIREMENTS:

Any requirements for repair by FHA, VA, USDA-RD, the creditor, termite control company or other "third party" requirements shall be delivered to Seller promptly upon receipt by Buyer. Seller shall have five (5) business days to respond to "Third Party" requirements upon receipt or Buyer may (1) accept the property in its condition at Closing as well as the responsibility for the completion of "Third Party" requirements, or (2) terminate this Real Estate Contract and recover the Earnest Money with Buyer and Seller agreeing to sign the Termination of Contract Addendum. If Buyer and Seller are unable to negotiate for the requested "Third Party" Requirements to be performed, this contract may be terminated with Buyer and Seller both agreeing to sign the Termination of Contract Addendum.

Buyer shall have the right to re-inspect all "Third Party" Requirements immediately prior to closing to ascertain whether "Third Party" Requirements have been made. If Buyer finds "Third Party" Requirements have not been made, Buyer may (1) accept the property in its condition at Closing as well as the responsibility for the completion of "Third Party" Requirements, or (2) terminate this contract and recover the Earnest Money with Buyer and Seller both agreeing to sign the Termination of Contract Addendum

18. SELLER PROPERTY DISCLOSURE:

☐ **A.** Buyer and Seller acknowledge that upon the authorization of Seller, either Selling Firm or Listing Firm have delivered to Buyer, prior to the execution of this Real Estate Contract, a written disclosure prepared by Seller concerning the condition of the Property, but this fact neither limits nor restricts Buyer's Disclaimer of Reliance set forth in Paragraph 29 of this Real Estate Contract, nor the rights provided Buyer in Paragraph 16. The written disclosure prepared by Seller is dated (month)______________ (day)________, (year)_______, and is warranted by Seller to be the latest disclosure and the answers contained in the disclosure are warranted to be true, correct, and complete to Seller's knowledge.

☐ **B.** Buyer hereby requests Seller to provide a written disclosure about the condition of the Property that is true and correct to Seller's knowledge within three (3) business days, after this Real Estate Contract has been signed by Buyer and Seller. If Seller does not provide the disclosure within the three (3) business days, Buyer may declare this Real Estate Contract terminated with Buyer and Seller both agreeing to sign the Termination of Contract, with Buyer to receive a refund of the Earnest Money. If Buyer finds the disclosure unacceptable within three (3) business days after receipt of disclosure, this Real Estate Contract may be declared terminated by Buyer, with Buyer and Seller both agreeing to sign the Termination of Contract with Buyer to receive a refund of the Earnest Money. Receipt of this disclosure neither limits nor restricts in any way Buyer's Disclaimer of Reliance set forth in Paragraph 29 of this Real Estate Contract, nor the rights provided to Buyer in Paragraph 16.

☐ **C.** Although a disclosure form may have been completed (or can be completed) by Seller, Buyer has neither received nor requested and does not desire from Seller a written disclosure concerning the condition of the Property prior to the execution of this Real Estate Contract, but this fact neither limits nor restricts in any way Buyer's Disclaimer of Reliance set forth in Paragraph 29 of this Real Estate Contract. BUYER IS STRONGLY URGED BY SELLING FIRM AND LISTING FIRM TO MAKE ALL INDEPENDENT INSPECTIONS DEEMED NECESSARY PRIOR TO SIGNING THIS REAL ESTATE CONTRACT, IN ADDITION TO THOSE INSPECTIONS PERMITTED BY PARAGRAPH 16B OF THIS REAL ESTATE CONTRACT.

☒ **D.** Buyer understands no disclosure form is available and will not be provided by Seller. This fact neither limits nor restricts in any way the Buyer's Disclaimer of Reliance set forth in Paragraph 29 of this Real Estate Contract. BUYER IS STRONGLY URGED BY SELLING FIRM AND THE LISTING FIRM TO MAKE ALL INDEPENDENT INSPECTIONS DEEMED NECESSARY PRIOR TO SIGNING THIS REAL ESTATE CONTRACT, IN ADDITION TO THOSE INSPECTIONS PERMITTED BY PARAGRAPH 16B OF THIS REAL ESTATE CONTRACT.

Real Estate Contract (Residential)

FORM SERIAL NUMBER: *062158-300151-2581068*

19. TERMITE CONTROL REQUIREMENTS:

[X] **A.** None

[ ] **B.** A Letter of Clearance (Wood Infestation Report) requiring a Termite Protection Contract with a One-Year (1) Warranty to include treatment if allowed by applicable law and the Arkansas State Plant Board and full protection plan shall be provided by Seller at Seller's cost at Closing. Seller shall order a proposal from a licensed Termite Contractor within ten (10) business days after acceptance of this Real Estate Contract. All repairs necessary to allow issuance of such Termite Protection Contract, excluding a new Termite Protection Treatment, are to be part of the Third-Party Requirements pursuant to Paragraph 17. If Buyer is obtaining financing, such Termite Protection Contract shall be in a form acceptable to the creditor and Buyer.

[ ] **C.** Other: ______________________________

20. LEAD-BASED PAINT RISK ASSESSMENT/INSPECTION:

[X] **A.** Buyer understands and agrees that, according to the best information available, improvements on this Property were not constructed prior to 1978 and should not contain lead-based paint hazards.

[ ] **B.** Buyer has been informed that the Property, including without limitation garages, tool sheds, other outbuildings, fences, signs and mechanical equipment on the Property that were constructed prior to 1978, may contain lead-based paint. Seller will provide the Lead-Based Paint Disclosure (pre-1978 construction) within three (3) business days after acceptance of this Real Estate Contract. The obligation of Buyer under this Real Estate Contract is contingent upon Buyer's acceptance of the Lead-Based Paint Disclosure provided by Seller and an Inspection and/or Risk Assessment of the Property for the presence of lead-based paint and/or lead-based paint hazards obtained at Buyer's expense. If Buyer finds either the Lead-Based Paint Disclosure or the Inspection and/or Risk Assessment unsatisfactory, in the sole discretion of Buyer, within ten (10) calendar days after receipt by Buyer of the Lead-Based Paint Disclosure, Buyer shall have the absolute option to unilaterally terminate this Real Estate Contract with Earnest Money returned to Buyer and, with neither Buyer nor Seller having further obligation to the other thereafter. Buyer shall submit any request for abatement repairs in writing as part of the Third-Party Requirements specified in Paragraph 17 of the Real Estate Contract. Buyer may remove this contingency and waive the unilateral termination right at any time without cause by written General Addendum signed by Buyer and delivered to Seller. If Buyer does not deliver to Seller or Listing Firm a Termination of Real Estate Contract Addendum terminating this Real Estate Contract within the ten (10) calendar days after receipt by Buyer of the Lead-Based Paint Disclosure, this contingency shall be deemed waived and Buyer's performance under this Real Estate Contract shall thereafter not be conditioned on Buyer's satisfaction with the Lead-Based Paint Inspection and/or Risk Assessment of the Property.

Buyer has been advised of Buyer's rights under this Paragraph 20.

21. INSURANCE: This Real Estate Contract is conditioned upon Buyer's ability to obtain homeowner/hazard insurance for the Property within ten (10) business days after the acceptance date of this Real Estate Contract. If Buyer does not deliver to Seller or Listing Firm a written notice from an insurance company within the time set forth above of Buyer's inability to obtain homeowner/hazard insurance on the Property, this condition shall be deemed waived (but without waiver of conditions, if any, set in Paragraph 3) and Buyer's performance under this Real Estate Contract shall thereafter not be conditioned upon Buyer's obtaining insurance. If Buyer has complied with the terms of this Paragraph 21 and has timely provided written notice to Seller of Buyer's inability to obtain such insurance, this Real Estate Contract shall be terminated, with Buyer and Seller agreeing to sign a Termination of Contract Addendum and Earnest Money returned to Buyer, subject to Earnest Money Addendum.

Real Estate Contract (Residential)

FORM SERIAL NUMBER: *062158-300151-2581068*

22. **CLOSING:** Closing is the date and time at which Seller delivers the executed and acknowledged deed and Buyer's completion, signing and delivery to Seller (or Closing Agent agreed to by Buyer & Seller) of all loan, closing documents and Purchase Price funds required to be executed or delivered by Buyer (the "Closing"). Buyer and Seller agree the Closing date will be (month) *January* (day) *15*, (year) *2018*. The Closing date may be changed by written agreement of Buyer and Seller. If the sale is not consummated by the Closing date, (or any written extension thereof), the parties shall have the remedies available to them in equity or at law, including the remedies available to them in Earnest Money Addendum.

    Buyer and Seller shall have the right to choose their Closing Agent(s) and are not relying on Listing Firm or Selling Firm to choose a Closing Agent. Should Buyer or Seller choose the services of a Closing Agent(s) other than Selling Firm or Listing Firm, then Buyer and Seller each jointly and severally agree to indemnify and hold Listing Firm and Selling Firm harmless for all intentional misconduct and negligent acts (including acts of omission) of the Closing Agent(s).

    This Real Estate Contract shall serve as written closing instructions to the Closing Agent on behalf of the Buyer and Seller. The Closing Agent(s) is/are authorized to provide Seller's closing disclosure or other settlement statement(s) to Listing Firm (in addition to Seller) and Buyer's closing disclosure or other settlement statement(s) to Selling Firm (in addition to Buyer) so Buyer, Seller, Listing Firm and Selling Firm shall have a reasonable opportunity to review prior to Closing.

    Buyer and Seller shall each have the right to request 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 and Selling Firm strongly advise Buyer and Seller to inquire of the Closing Agent(s) about the availability and benefits of closing protection.

    This Real Estate Contract shall, unless otherwise specified in Paragraph 30 of this Real Estate Contract, constitute express written permission and authorization to Listing Firm and Selling Firm to disclose the terms of this Real Estate Contract (and all Addenda), including without limitation concessions provided by Buyer or Seller or other non-public personal information of Buyer and Seller regarding the purchase and sale of the Property, to any of the following: (i) an Arkansas licensed appraiser; (ii) multiple listing services for use by the members thereof; and (iii) any other person or entity which Listing Firm or Selling Firm determines, using sole discretion, may have a legitimate basis to request and obtain such information. The authorization and permissions granted in this Paragraph 22 shall not create any obligation or duty upon Listing Firm or Selling Firm to make any disclosure to any person or entity.

23. **POSSESSION:** Possession of the Property shall be delivered to Buyer:

    - [x] **A.** Upon the Closing.
    - [ ] **B.** Delayed Possession. (See Delayed Occupancy Addendum attached)
    - [ ] **C.** Prior to Closing. (See Early Occupancy Addendum attached)

24. **ASSIGNMENT:** This Real Estate Contract may not be assigned by Buyer unless written consent of Seller is obtained, such consent not to be unreasonably withheld. It shall not be unreasonable for Seller to withhold consent if Seller is to provide financing for Buyer in any amount.

25. **RISK OF LOSS:** Risk of loss or damage to the Property by fire or other casualty occurring prior to the time Seller delivers an executed and acknowledged deed to Buyer is expressly assumed by Seller. Should the Property be damaged or destroyed prior to Closing, Buyer shall have the option to: (i) enter into a separate written agreement with Seller whereby Seller will agree to restore the Property to its condition at the time this Real Estate Contract was accepted, (ii) accept all insurance proceeds related to the Property fire loss or other casualty loss and receive the Property in its existing condition, or (iii) terminate this Real Estate Contract and recover the Earnest Money. Buyer and Seller agree any written agreement concerning option (i) or (ii) above shall be prepared only by licensed attorneys representing Buyer and Seller. If Buyer elects option (ii) above, Buyer shall be entitled to credit for the insurance proceeds up to the Purchase Price, and any insurance proceeds received by Seller over and above the Purchase Price shall be tendered to Seller at Closing. Notwithstanding the choice selected in Paragraph 16, Buyer shall have the right prior to Closing to inspect the Property to ascertain any damage that may have occurred due to fire, flood, hail, windstorm or other acts of nature, vandalism or theft.

26. **GOVERNING LAW:** This Real Estate Contract shall be governed by the laws of the State of Arkansas.

27. **SEVERABILITY:** The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of the Agreement, which shall remain in full force and effect.

Real Estate Contract (Residential)

FORM SERIAL NUMBER: *062158-300151-2581068*

28. **MERGER CLAUSE:** This Real Estate Contract, when executed by both Buyer and Seller, shall contain the entire understanding and agreement between Buyer 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. This Real Estate Contract shall not supersede any agency agreements entered into by Buyer or Seller and Listing Firm or Selling Firm.

29. **BUYER'S DISCLAIMER OF RELIANCE:**
   A. BUYER CERTIFIES BUYER WILL PERSONALLY INSPECT OR HAVE A REPRESENTATIVE INSPECT THE PROPERTY AS FULLY AS DESIRED PRIOR TO CLOSING. BUYER CERTIFIES BUYER HAS NOT AND WILL NOT RELY ON ANY WARRANTIES, REPRESENTATIONS, OR STATEMENTS OF SELLER, LISTING FIRM, SELLING FIRM, OR ANY AGENT, INDEPENDENT CONTRACTOR, OR EMPLOYEE ASSOCIATED WITH THOSE ENTITIES, OR INFORMATION FROM MULTIPLE LISTING SERVICES OR OTHER WEBSITES REGARDING MINERAL RIGHTS, YEAR BUILT, SIZE (INCLUDING WITHOUT LIMITATION THE SQUARE FEET IN IMPROVEMENTS LOCATED ON THE PROPERTY), QUALITY, VALUE OR CONDITION OF THE PROPERTY, INCLUDING WITHOUT LIMITATION ALL IMPROVEMENTS, APPLIANCES, PLUMBING, ELECTRICAL OR MECHANICAL SYSTEMS. HOWEVER, BUYER MAY RELY UPON ANY WRITTEN DISCLOSURES PROVIDED BY SELLER. LISTING FIRM AND SELLING FIRM CANNOT GIVE LEGAL ADVICE TO BUYER OR SELLER. LISTING FIRM AND SELLING FIRM STRONGLY URGE STATUS OF TITLE TO THE PROPERTY, CONDITION OF PROPERTY, MINERAL RIGHTS, AND SQUARE FOOTAGE OF IMPROVEMENTS, QUESTIONS OF SURVEY AND ALL OTHER REQUIREMENTS OF BUYER SHOULD EACH BE INDEPENDENTLY VERIFIED AND INVESTIGATED BY BUYER OR A REPRESENTATIVE CHOSEN BY BUYER.
   B. BUYER AGREES TO SIGN PAGE 4 OF THE INSPECTION, REPAIR AND SURVEY ADDENDUM PRIOR TO CLOSING IF BUYER ACCEPTS THE CONDITION OF THE PROPERTY AND INTENDS TO CLOSE.

30. OTHER: *as stated in paragraph 5 of this real estate contract, seller to pay up to $4400.00 of buyers loan closing cost and pre-paids*

31. **TIME:** Buyer and Seller agree time is of the essence with regard to all times and dates set forth in the Real Estate Contract. Unless otherwise specified, days as it appears in the Real Estate Contract shall mean calendar days. Further, all times and dates set forth in the Real Estate Contract refer to Arkansas Central time and date.

32. **ATTORNEY'S FEES:** Should Buyer 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 Buyer and Seller (aforementioned agents being third-party beneficiaries of this Paragraph 32) that all prevailing party (or parties if more than one) shall be entitled to an award of all costs and attorney's fees incurred in prosecution or defense of such action against the non-prevailing party (or parties if more than one).

33. **COUNTERPARTS:** This Real Estate Contract 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.

34. **FIRPTA COMPLIANCE, TAX REPORTING:** Buyer and Seller agree to disclose on or before Closing, to the person or company acting as Closing Agent for this transaction, their United States citizenship status, solely for the purpose of compliance with the Foreign Investment in Real Property Taxation Act (FIRPTA). In addition, Buyer and Seller shall execute all documents required by such Closing Agent to document compliance with the FIRPTA and all other applicable laws. Buyer and Seller agree nothing in this Real Estate Contract is intended to limit the responsibility of the Closing Agent as defined pursuant to United States Treasury Regulation 1.6045-4 to (i) be the "reporting person" under state and federal tax laws (including without limitation 26 USC Section 6045(e)), and (ii) file all necessary forms regarding the Closing, including without limitation form 1099, 8288 or 8288A. By accepting the role as Closing Agent, this Agreement shall obligate the Closing Agent to fulfill their responsibilities as set forth above and as defined by the above statutes. Seller will execute an affidavit confirming compliance with FIRPTA, as prepared by the Closing Agent.

35. **LICENSEE DISCLOSURE:** Check all that apply:
   - [X] A. Not Applicable.
   - [ ] B. One or more parties to this Real Estate Contract acting as a [ ] Buyer [ ] Seller hold a valid Arkansas Real Estate License.
   - [ ] C. One or more owners of any entity acting as [ ] Buyer [ ] Seller hold a valid Arkansas Real Estate License

Real Estate Contract (Residential)

36. EXPIRATION: This Real Estate Contract expires if not accepted on or before (month) *December* (day) *8*, (year) *2017*, at *2* ☐(a.m.) ☒(p.m.).

THIS IS A LEGALLY BINDING REAL ESTATE CONTRACT 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, 2017.

FORM SERIAL NUMBER: *062158-300151-2581068*

The above Real Estate Contract is executed on (month) December (day) 6, (year) 2017, at 4:30 ☐(a.m.) ☑(p.m.).

Stavely and Associates Real Estate
Selling Firm

Signature: [signature] — Signature: [signature]

Printed Name: *Kristin L Stavely* — Printed Name: *Roger Chandler*
Buyer

Principal or Executive Broker (AREC License # *EB00063837*)
(Broker email: *stavelyrealestate@att.net*)

Signature: [signature] — Signature: ______

Printed Name: *Kristin L Stavely* — Printed Name: ______
Buyer

Selling Agent (AREC License # *EB00063837*)
(Agent email: *stavelyrealestate@att.net*)
(Agent cell number: *870-845-1188*)

The above Real Estate Contract is executed on (month) Dec (day) 6, (year) 2017, at 11:42 ☒(a.m.) ☐(p.m.).

Stavely and Associates Real Estate
Listing Firm

Signature: [signature] — Signature: [signature]

Printed Name: *Kristin L Stavely* — Printed Name: Ray Rogers
Seller

Principal or Executive Broker (AREC License # *EB00063837*)
(Broker email: *stavelyrealestate@att.net*)

Signature: [signature] — Signature: ______

Printed Name: *Edwin L Stavely* — Printed Name: ______
Seller

Listing Agent (AREC License # *PB00046658*)
(Agent email: *stavelyrealestate@att.net*)
(Agent cell number: *870-845-9000*)

The above offer was ☐rejected ☐counter-offered (Form Serial Number ______)
☐ Buyer informed of Notification of Existing Real Estate Contract Addendum
(Form Serial Number ______)
on (month) ______ (day) ______, (year) ______, at ______ ☐ (a.m.) ☐ (p.m.).

______ Seller's Initials — ______ Seller's Initials

Fill in this information to identify the case:

Debtor 1 Ray Rogers Timber Company, Inc.

Debtor 2
(Spouse, if filing)

United States Bankruptcy Court for the: WESTERN DISTRICT OF ARKANSAS
(State)

Case number 17-71461

Official Form 410

Proof of Claim

4/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?

Arkansas Department of Finance and Administration
Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor

2. Has this claim been acquired from someone else?

☑ No

☐ Yes. From Whom?

3. Where should notices and payments to the creditor be sent?

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?

Michelle L. Baker
Name

Revenue Legal Counsel, P.O. Box 1272, Rm. 2380
Number Street

Little Rock, Arkansas 72203
City State Zip Code

Contact Phone (501) 682-7030

Contact Email michelle.baker@dfa.arkansas.gov

Where should payments to the creditor be sent? (if different)

Name

Number Street

City State Zip Code

Contact Phone

Contact Email

Uniform claim identifier for electronic payments in chapter 13 (if you use one):

12261494-WHW

4. Does this claim amend one already filed?

☑ No

☐ Yes. Claim number on court claims registry (if known) Filed on MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?

☑ No

☐ Yes. Who made the earlier filing?

Part 2: Give Information About the Claim as of the Date the Case was Filed

6. Do you have any number you use to identify the debtor?

☐ No

☑ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: 3239

7. How much is the claim?

$ 1,281.06. **Does this amount include interest or other charges?**

☐ No

☑ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim?

Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information.

State Taxes

9. Is all or part of the claim secured?

☐ No

☑ Yes. The claim is secured by a lien on property.

Nature of property:

☐ Real estate. If the claim is secured by the debtor's principal residence, file a Mortgage Proof of Claim Attachment (Official Form 410-A) with this Proof of Claim.

☐ Motor Vehicle

☑ Other. Describe: All real and personal property of the debtor

Basis for perfection: Tax lien(s)

Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: $1,281.06

Amount of the claim that is secured: $1,281.06

Amount of the claim that is unsecured: $0.00

(The sum of the secured and unsecured amounts should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: N/A

Annual Interest Rate (when case was filed): 10%

☑ Fixed

☐ Variable

10. Is this claim based on a lease?

☑ No

☐ Yes. **Amount necessary to cure any default as of the date of the petition.$**________________

11. Is this claim subject to a right of setoff?

☐ No

☑ Yes. Identify the property: Eligible tax refunds

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☑ No

☐ Yes. *Check one:*

	Amount entitled to priority
☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	$
☐ Up to $2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	$
☐ Wages, saleries, or commissions (up to $12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	$
☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	$0.00
☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	$
☐ Other. Specify subsection of 11 U.S.C. § 507(a)(__) that applies.	$

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☑ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this Proof of Claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this Proof of Claim and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 06/15/2017
MM / DD / YYYY

/s/ Michelle L. Baker
Signature

Print the name of the person who is completing and signing this claim:

Name: Michelle L. Baker
First name / Middle name / Last name

Title: Attorney

Company: DFA-Revenue Legal Counsel
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address: P.O. Box 1272, Rm. 2380
Number / Street

Little Rock / AR / 72203
City / State / Zip Code

Contact phone: (501) 682-7030 Email: michelle.baker@dfa.arkansas.gov

IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF ARKANSAS

IN RE: Ray Rogers Timber Company, Inc.

CASE NO: 17-71461
CHAPTER: 11

DEBTOR(S)-IN-POSSESSSION

Itemized Statement

Account Secured

Withholding Wage Tax

12261494-WHW

Account	Period	Amount	Lien Date	County
12261494-WHW	31-Dec-2016	$1,281.06	5/30/2017	HOWARD
	Total	**$1,281.06**		

Claim Summary

Secured	$1,281.06
Priority	$0.00
Unsecured	$0.00
Total	$1,281.06

IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF ARKANSAS

IN RE: Ray Rogers Timber Company, Inc.

CASE NO: 17-71461
CHAPTER: 11

DEBTOR(S)-IN-POSSESSSION

Itemized Statement Required in Part 2 #7 of Official Form 410

AccountID	Period	Tax	Penalty	Interest	Balance
12261494-WHW (Withholding Wage Tax)	31-Dec-2016	$0.00	$1,161.57	$119.49	$1,281.06
		$0.00	**$1,161.57**	**$119.49**	**$1,281.06**

8004093
Tx:4003470

R2017-01105
FILED: 06/02/2017 11:33:36 AM
HOWARD COUNTY, ARKANSAS
ANGIE LEWIS, CIRCUIT CLERK
By: DONNA PIERCE, D.C.
FEE: $ 8.00
PAGES: 1

STATE OF ARKANSAS
DEPARTMENT OF FINANCE AND ADMINISTRATION

ref:AIRS

CERTIFICATE OF INDEBTEDNESS

Walter C. Anger, of the Department of Finance and Administration, State of Arkansas to the Circuit Clerk of HOWARD County, Arkansas;

For the Director of the Department of Finance and Administration, I, Walter C. Anger, Deputy Director, by virtue of the authority conferred on the Arkansas Tax Procedure Act, Arkansas Code § 26-18-101 et seq., do hereby certify that:

ROGERS RAY TIMBER CO INC DBA ROGERS RAY TIMBER CO INC, 2331 HIGHWAY 371 W NASHVILLE AR 71852-8885 is justly indebted to the State of Arkansas for Withholding Wage Tax in the amount of: $1,280.02, for the period(s) of 12/31/2016.

Therefore, you are requested to immediately enter upon the Circuit Court judgment docket the name of the above taxpayer and the amount shown to be due and the date of entry. The entry shall have the same force and effect of a judgment at law and shall constitute a lien upon real and personal property of the taxpayer paramount to all other liens from the date of entry for the collection of tax, interest at the rate of ten percent (10%) per annum, and all costs (clerk's and sheriff's costs).

This certificate of indebtedness shall continue in force for ten (10) years from the date of filing and shall automatically expire after the ten (10) year period has run if no satisfaction has been entered prior to that time. In accordance with Ark. Code Ann. § 26-18-701, the Director shall not be required to file a release on this certificate of indebtedness after it has expired.

Witness my hand this 30 day of May, 2017

Director of the Department of Finance and Administration, State of Arkansas

By: Walter C. Anger
Deputy Director

Letter ID: L0613478800
Lien ID: 1058644

This instrument was prepared by:

Dale Breshears, Manager
COLLECTION SECTION

UNITED STATES BANKRUPTCY COURT
IN THE WESTERN DISTRICT OF ARKANSAS
TEXARKANA DIVISION

IN RE: RAY ROGERS TIMBER COMPANY, INC. CASE NO. 4:17-bk-71461
Debtor-in-Possession Chapter 11

ORDER AUTHORIZING SALE OF REAL PROPERTY
AT PRIVATE SALE FREE AND CLEAR OF LIENS

NOW before the Court is Debtor's Motion for Authority to Sell Real Property at Private Sale, Free and Clear of Liens (the "Motion"), and the U. S. Trustee, represented by his trial attorney, Joseph A. DiPietro, hereby consents to the Motion. From the pleadings and proof before it, the Court finds the following:

IT IS HEREBY ORDERED that, pursuant to 11 U.S.C. §363 and the Federal Rules of Bankruptcy Procedure, the Debtor is hereby authorized to enter into the Real Estate Sale Contract (the "Contract") with Roger and Karon Chandler (the "Chandlers"), a copy of which being attached to the Motion filed and made a part thereof; and

IT IS FURTHER ORDERED as follows:

1. the Debtor is authorized to sell its Real Property as described in the Contract attached to the Motion, at a sales price of $74,400.00, as indicated in the Contract, to the Buyers, with a Closing Date of sometime in the proximity of March 30, 2018;

2. the Debtor is authorized to make payment from the proceeds of the sale to the State of Arkansas, Department of Finance & Administration, in the approximate amount of $1,281.06, and the State thereby releasing its lien against the Real Property and thereby recording said Release in Howard County, Arkansas; and

3. the Debtor is authorized to make payment of all remaining proceeds from the sale of the Real Property, held as collateral by First State Bank of DeQueen, directly to the Bank to be applied toward loans held by the Debtor with the Bank, with the Bank releasing the Real Property to be transferred to the Buyers.

EXHIBIT "C" – Motion to Sell

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Debtor's Motion requesting authorization for the Debtor to sell real property at a private sale, free and clear of liens, and there being no adverse interest represented, is GRANTED.

IT IS SO ORDERED.

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HONORABLE RICHARD D. TAYLOR
UNITED STATES BANKRUPTCY JUDGE

Date: ________________________

Approved by:

____
Rufus E. Wolff (AR Bar No. 85175)
Counsel for Debtor-in-Possession

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Paul T. Bennett (AR Bar No2001247)
Counsel for First State Bank of DeQueen

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Arkansas Department of Finance
& Administration – Revenue Legal

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Joseph DiPietro, Trial Attorney
Office of the Assistant U. S. Trustee

cc: Attorney for Debtor
Debtor
U.S. Trustee
Mailing Matrix