

**IN THE CIRCUIT COURT OF CRAWFORD COUNTY, ARKANSAS
CIVIL DIVISION**

MCKENZIE CANADY

PLAINTIFF

vs.

CASE NO. _____

**FATHOM REALTY AR LLC;
CHASITY MARTIN**

DEFENDANTS

COMPLAINT

COMES NOW, Plaintiff, McKenzie Canady, by and through her attorney, Christopher J. Hooks with Robertson, Beasley, Shipley & Robinson, PLLC, and for her Complaint against Chasity Martin and Fathom Realty AR LLC (the “Defendants”) states the following:

PARTIES, JURISDICTION AND VENUE

1. Plaintiff is an individual who resides in Crawford County, Arkansas.
2. Defendant Fathom Realty AR LLC (“Fathom”) is a Texas limited liability company that does business in Arkansas which can be served through its registered agent, James Dray, at 2879 W. Walnut Street, Suite 101, Rogers, AR 72756.
3. Defendant Chasity Martin, upon information and belief is an Arkansas resident.
4. That the events which form the basis of this Complaint occurred in Crawford County, Arkansas and the real property at issue is located in Crawford County, Arkansas.
5. That this Court has jurisdiction over the parties and claims in this lawsuit and venue is proper in this Court.

FACTS

6. Plaintiff restates all preceding paragraphs as if set forth herein, word for word.

7. On January 16, 2025, the Plaintiff went under contract to purchase real property (the “Property”) located at 3704 Terry Street, Van Buren, AR 72956 (the “Transaction”). The purchase price was \$150,000. *See Exhibit A.*

8. The Plaintiff was represented by Defendant Martin (“Martin”), who was a real estate agent for Defendant Fathom on the Transaction.

9. Prior to closing, on February 1, 2025, the Seller of the Property, Cherish Properties, LLC (“Cherish” or “Seller”), provided Plaintiff’s agent, Martin with a Seller Property Disclosure (the “Disclosure”) for the Property. *See Exhibit B.*

10. The Disclosure revealed serious issues with the Property. In the Disclosure, the Seller checked “yes” when asked, “To your knowledge, has there been any flooding, drainage, grading problems, or has water ever stood on the Property or under any improvement constructed thereon. In the Disclosure the Seller also checked “yes” when asked, “to your knowledge, is there or has there ever been any past or present water intrusion. The Disclosure also provided that heavy rain had caused water to enter the house from the back due to drainage issues.

11. The Defendants received the disclosure from the Seller or Seller’s agent prior to closing of the Transaction on February 1, 2025.

12. Defendant Martin confirmed receipt of the Disclosure on February 1, 2025 when Defendant Martin emailed Seller or a representative of the Seller.

13. Despite receiving the Disclosure, the Defendants never provided the Disclosure to the Plaintiff prior to the closing of the Transaction. The Plaintiff had no knowledge of the existence of the Disclosure until several months after closing of the Transaction.

14. Defendant Martin “admitted she forgot she even responded to the email” that contained the Disclosure on February 1, 2025.

15. In Mid-February 2025 the Transaction closed. The Plaintiff was never made aware of the Disclosure or the water-related contained in the Disclosure prior to closing.

16. In May of 2025, the Property experienced a significant flooding event during a rain. Water flooded the Property and backyard and came into the home on the Property within minutes of the rain starting. *See* Photos attached hereto as **Exhibit C**.

17. After the rain, there was standing water in the home and on the property, which caused damage to the Property and devalued the home on the Property.

18. After the flooding event, the Plaintiff contacted a contractor to ascertain the water damage from the flooding event and to provide a repair quote.

19. The contractor identified various issues that would need to be fixed including replacing interior flood damage in the home, building a retaining wall, removing sheetrock, and installing a French drain on the Property. The repair costs in the quote totaled \$97,754. *See* **Exhibit D**.

20. The Property was the first home the Plaintiff ever owned. The Plaintiff did not receive her benefit of the bargain due to the Defendants withholding critical information concerning the Property and the Transaction which would have directly influenced the Plaintiff’s willingness to proceed with closing the Transaction and purchasing the Property.

21. Upon information and belief, the Property now has black mold growing inside of it which poses a threat to the Plaintiff and her minor children’s health who reside at the Home.

22. As a direct and proximate result of the Defendants acts or omissions the Plaintiff has been damaged in an amount in excess of \$75,000, exclusive of costs and attorney’s fees.

COUNT I- NEGLIGENCE

23. Plaintiff restates all preceding paragraphs as if set forth herein, word for word.

24. The Defendants, operated as agents and fiduciaries for their principal, Plaintiff in the Transaction that is the subject of this Complaint.

25. As agents of the Plaintiff, the Defendants had a duty to exercise reasonable care and skill, or that degree or care and skill ordinarily employed by persons of common capacity engaged in the same business.

26. The Defendants had a duty under Arkansas Real Estate Commission Regulations to exert reasonable efforts to ascertain those facts which are material to the value or the desirability of every property for which the licensee accepts the agency, so that in offering the property the licensee will be informed about its condition and thus able to avoid intentional or negligent misrepresentation to the public concerning the property.

27. The Defendants did not exercise reasonable care and breached their duty to exercise reasonable care by keep Plaintiff informed of serious water issues which affected the desirability of the Property.

28. As a direct and proximate result of the Defendants' negligence, the Plaintiff has been damaged in an amount in excess of \$75,000.

COUNT II- BREACH OF FIDUCIARY DUTY

29. Plaintiff restates all preceding paragraphs as if set forth herein, word for word.

30. The Defendants were utilized as real estate agents by the Plaintiff to assist and represent the Plaintiff's interest in the Transaction.

31. As real estate agents and fiduciaries of the Plaintiff, the Defendants' owed Plaintiff the duty of utmost good faith and loyalty and has a duty to disclose to him the facts of any interests of his own or another client which may be antagonistic to that of his principal. *Toney v. Haskins*, 7 Ark. App. 98, 644 S.W.2d 622 (1983). A broker is at all times required to make a full disclosure to his principal, not withholding any valuable information from him.

32. Under Arkansas law a fiduciary may be held liable for conduct that does not meet the requisite standard of fair dealing, good faith, honesty and loyalty. *Worley v. City of Jonesboro*, 2011 Ark. App. 594.

33. In the present case, the Defendants, who had a fiduciary relationship with Plaintiff, failed to disclose the serious water issues with the Property, despite being aware of the water issues with the Property.

34. By this failure to disclose, the Defendants have breached their fiduciary duty to the Plaintiff and the Plaintiff has suffered damages.

COUNT III- CONSTRUCTIVE FRAUD

35. Plaintiff restates all preceding paragraphs as if set forth herein, word for word.

36. Constructive fraud is defined as a breach of a legal or equitable duty which, irrespective of moral guilt, the law declares fraudulent because of its tendency to deceive others. *KBX, Inc., v. Zero Grade Farms*, 639 S.W.3d 352 (2022).

37. Nondisclosure may provide a basis for a claim of constructive fraud. . . where there is a duty to communicate the purportedly concealed material fact. *Worley v. City of Jonesboro*, 2011 Ark. App. 594.

38. The Defendants failure to provide the Plaintiff with the Disclosure when the Plaintiff placed her trust in the Defendants constitutes constructive fraud. The Defendants were

required to provide the information in the Disclosure to the Plaintiff as the information in the Disclosure, specifically the information related to the water damage and flooding significantly and materially affected the value and desirability of the Property.

39. The Plaintiff justifiably relied on the Defendants to represent the Plaintiff's interests in regard to the transaction. The failure to provide the Disclosure was an intent to induce inaction from the Plaintiff so that the Transaction would close.

40. As a result of the Defendants' constructive fraud, the Plaintiff has been damaged in an amount in excess of \$75,000 by acquiring a Property prone to flooding and subject to water damages.

COUNT IV- BREACH OF CONTRACT- IMPLIED CONTRACT

41. The Plaintiff restates all preceding paragraphs as if set forth herein, word for word.

42. It was the intention of the Plaintiff and Defendants in relation to the Transaction, for the Plaintiff to utilize the services of the Defendants to negotiate and purchase the Property, as well as the Defendants to provide all necessary services in consummating the Transaction.

43. It was the intention of the parties hereto that the Defendants would provide these services and then receive a commission for their services upon closing of the Transaction.

44. There was an implied contract between the Plaintiff and Defendants for the Transaction. The Defendant was to provide their services and receive commission compensation upon closing. The parties were competent, the services were mutually agreed upon, the Property was the subject matter of the transaction and consideration was provided.

45. Incumbent in the implied contract relationship is the provision that the Defendant real estate agents had a duty to disclose all material facts which affected the value or desirability of the Property.

46. The Defendants did not disclose all material facts related to the Property. Specifically, the Defendants did not disclose the Disclosure and the flooding and water damage issues related to the Property. This failure constitutes a breach of implied contract.

47. As a direct and proximate result of the Defendants breach of contract, the Plaintiff has suffered damages in excess of \$75,000. The Plaintiff is also entitled to recover of her costs and attorneys fees for the Defendants breach.

DAMAGES

48. That as a direct and proximate result of the Defendants acts and/or inactions, the Plaintiff has suffered damages and the Plaintiff prays she be awarded the following:


a. Compensatory and punitive damages as a result of the Defendants negligent and fraudulent acts and omissions;

b. Costs and attorneys fees incurred as a result of this action, plus pre and post judgment interest at the maximum amount allowed by law.

49. Plaintiff requests a trial by jury on all issues so triable.

WHEREFORE, premises considered, Plaintiff respectfully requests this Court award the Plaintiff for all her damages alleged to have suffered herein and for all other relief to which this Court finds the Plaintiff entitled to.

Respectfully Submitted,
MCKENZIE CANADY, PLAINTIFF

By: 
Christopher J. Hooks ABA #2020190
ROBERTSON, BEASLEY, SHIPLEY
& ROBINSON, PLLC

315 N. 7th Street
Fort Smith, AR 72901
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FORM SERIAL NUMBER: **003196-000173-7074960**

1. PARTIES: **Mckenzie Canady**

(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 ☒ Single family detached home with land ☐ One-to-four attached dwelling with land
- ☐ Manufactured / Mobile Home with land
- ☐ Builder Owned older than 1 year ☐ Condominium / Town Home
(Seller to provide FTC Insulation Requirement Addendum) (See Owners Association Addendum attached)

ADDRESS AND LEGAL DESCRIPTION:
3704 Terry Street, Van Buren, AR 72956

Parcel #: **700-07046-000**

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"):

- ☒ 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 \$ **150,000.00**

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")
- ☐ USDA-RD. ☐ Direct ☐ Lender
- ☐ 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 \$



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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 \$150,000.00. 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."

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

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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 \$_____ (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. **Seller to pay up to \$8,000 of buyer closing costs & prepaids.**

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. "If Buyer is obtaining Government Financing (FHA, VA or other) Buyer is encouraged to confirm with legal counsel and lender if a Non-Refundable Deposit is allowed."

☒ A. The 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; or

☐ ii. Within three (3) business days following agreement to repairs on Inspection, Repair & Survey Addendum;
or

☐ iii. Other: _____

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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.
10. **TITLE REQUIREMENTS:** As per RESPA AND CONSUMER FINANCIAL PROTECTION BUREAU (CFPB) requirements, Buyer and Buyer's Lender have the right to determine where Buyer or Buyer's Lender will purchase title insurance and other settlement services.

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, 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.
- ☒ B. 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); however, if Buyer and Seller choose to close at different title companies, subparagraph (A) above would control as to the allocation of title insurance costs. In the event the Loan Amount exceeds the Purchase Price, Buyer agrees to pay any additional title insurance premium in excess of Purchase Price.
- ☐ C. 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).

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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.** Buyer declines survey.

☐ **C.** Other: _____

Should Buyer agree to accept the most recent survey provided by Seller, which shall be for information purposes only, or should Buyer decline a new Survey, 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 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:

☒ **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 (choose one)

☐ Buyer removes the contingency _____ or

☐ time of Real Estate Contract acceptance.

☐ **(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.

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15. HOME-WARRANTY PLANS: Buyer has been given the opportunity to obtain a Home Warranty Plan. The Home Warranty contract covers unexpected mechanical failures due to wear and tear and is subject to a per-claim deductible and the specific terms of the Home Warranty Contract:

- ☐ A. No Home Warranty provided.
- ☐ B. A one-year limited Home Warranty Plan provided by _____ Company, _____ plan.
Plan paid for by _____ at a cost not to exceed \$ _____ plus sales tax.
- ☒ C. A one-year limited Home Warranty Plan provided by a Home Warranty Company, and specific plan coverage selected by Buyer prior to closing. Plan paid for by **seller** at a cost not to exceed \$ **600.00** plus sales tax.
- ☐ D. Other: _____

If a Home Warranty Plan is selected the 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.

16. INSPECTION AND REPAIRS:

- ☐ 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.

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16. INSPECTION AND REPAIRS: (continued from page 8)

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".

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.

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18. SELLER PROPERTY DISCLOSURE:

- ☐ A. Buyer and Seller acknowledge that upon the authorization of Seller, Buyer has received and reviewed Section 1 of the Seller Property Disclosure prior to the execution of this Real Estate Contract 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. Buyer and Seller agree to complete the remaining required sections of the Seller Property Disclosure prior to Closing.
- ☐ 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.

19. TERMITE CONTROL REQUIREMENTS:

- ☐ 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: _____

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20. LEAD-BASED PAINT RISK ASSESSMENT/INSPECTION:

- ☒ **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.

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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) February (day) 18, (year) 2025. 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 32 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.

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

- ☒ **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.

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 without participating Broker's written consent. This Real Estate Contract may not be amended except in a writing signed by both Buyer and Seller. Neither Listing Firm nor Selling Firm may amend this Real Estate Contract by exchange of messages, verbally, or otherwise.

29. SUCCESSORS AND ASSIGNS: This Real Estate Contract shall be binding upon all heirs, successors, personal representatives, executors, administrators and, to the extent allowed in Paragraph 24, assigns.

30. DEFAULT: Upon failure of Buyer or Seller to timely fulfill all obligations under this Real Estate Contract, the non-defaulting party shall have all available rights and remedies provided by applicable law.

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31. 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, COVENANTS, DEED RESTRICTIONS, 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.

32. OTHER: Seller to pay buyer agent 3% of sale price.

33. **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. If any Closing provided in this Real Estate Contract shall fall on a Saturday, Sunday or date upon which banks are not open in Arkansas, such performance shall be due on the first day thereafter.

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- 34. 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).
- 35. 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. Electronic signatures shall be deemed original signatures and shall be binding upon the parties.
- 36. 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.
- 37. LICENSEE DISCLOSURE:** Check all that apply:
- ☒ **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
 - ☐ **D.** Neither party to this transaction is represented by any other licensee or broker / firm for the duration of this sale. Each party is self-representing their own interests. See attached Non-Representation Disclosure Addendum.

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38. **EXPIRATION:** This Real Estate Contract expires if not accepted on or before
(month) January (day) 17, (year) 2025, at 3:00 (am) ☐ (pm) ☒

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, 2025.

FORM SERIAL NUMBER 003196-000173-7074960

REAL ESTATE LICENSEES ARE REGULATED BY THE ARKANSAS REAL ESTATE COMMISSION. IF A LICENSEE HAS NOT PROPERLY REPRESENTED YOU, YOU MAY FILE A COMPLAINT AT AREC.ARKANSAS.GOV.

The above Real Estate Contract is executed on

(month) _____ (day) _____, (year) _____, at _____ (a.m.) ☐ (p.m.) ☐.

Fathom Realty

01/16/2025 07:14 PM

Selling Firm

Signature: James Dray

Signature: McKenzie Canady

Printed Name: James Dray
Principal or Executive Broker

Printed Name: McKenzie Canady
Buyer

AREC License # PB00068179

Broker email: sellnwa@gmail.com

Signature: Chasity Martin

Signature: _____

Printed Name: Chasity Martin
Selling Agent

Printed Name: _____
Buyer

AREC License # SA00092411

Agent email: yourhomegirlcm@gmail.com

Agent cell number: 4792210497

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FORM SERIAL NUMBER: 003196-000173-7074960

The above offer was: ☐ rejected ☐ counter-offered

(Form Serial Number _____)

☐ Buyer informed of Notification of Existing Real Estate Contract Addendum
(Form Serial Number _____)
(month) _____ (day) _____, (year) _____, at _____ (a.m.) ☐ (p.m.) ☐

Seller's Initials

Seller's Initials

The above Real Estate Contract is executed on
(month) _____ (day) _____, (year) _____, at _____ (a.m.) ☐ (p.m.) ☐.

Listing Firm

Signature: _____

Signature: _____

Printed Name: _____
Principal or Executive Broker

Printed Name: _____
Seller

AREC License # _____

Broker email: _____

Signature: _____

Signature: _____

Printed Name: _____
Listing Agent

Printed Name: _____
Seller

AREC License # _____

Agent email: _____

Agent cell number: _____

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

SECTION 1 of 4:

STREET ADDRESS: 3704 Terry St

CITY: Van Buren STATE: AR ZIP CODE: 72956

COUNTY: Crawford

Purpose of Statement: This is a statement of conditions and information concerning the Property. Unless otherwise advised, Seller does not possess any expertise in construction, architecture, engineering or any other specific areas related to the construction or condition of improvements on the Property or the Property itself, other than occupying or having ownership of the Property.

Instructions to Seller: (1) Complete this form yourself. (2) Report known conditions affecting the Property. (3) Attach additional pages with your signature if additional space is required. (4) Answer ALL questions. (5) If some items do not apply to Property, check "Not Applicable." (6) If you do not know the answer to a question or do not understand a question, check the answer "Unknown." (7) **Seller should immediately notify Listing Firm in writing and to modify this Seller Property Disclosure if any answer set forth changes prior to Closing.**

Seller's Statement: Even though this is not a warranty, Seller hereby specifically makes the following representations based on Seller's knowledge as of the date below. Unless a potential buyer desires not to obtain a copy of this statement (as expressly set forth in a Real Estate Contract), Seller authorizes Listing Firm to provide a copy of this statement to any person or entity in connection with any possible, actual or anticipated sale of the Property.

Lead-Based Paint Disclosure should be on file if any structure or improvements including, without limitation, garages, tool sheds, other outbuildings, fences, signs and mechanical equipment on Property was constructed prior to 1978.



Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

SECTION 1 of 4 (continued): TO BE COMPLETED BY SELLER: (Please Print)

Seller(s): Cherish Properties, LLC Date: 02/01/2025

Seller ☐ is ☒ is not occupying the Property. Property ☐ is ☒ is not Builder owned.

(If Seller is occupying or has occupied the Property, give length of occupancy in years: _____)

Approximate heated & cooled square footage: 1,205 Approximate Year of Construction: 1987

Please check the following boxes as they apply to the Property:

Subject Property is located:

☒ within incorporated city limits ☐ outside incorporated city limits (Property may be subject to Extraterritorial Jurisdiction (ETJ) of an incorporated city or municipality, or may be under consideration or proposal to be annexed in incorporated city or municipality).

☒ Water, provided by: _____

☐ A rural water district or other non-municipal water system: _____

☒ A municipality or county: City of Van Buren

☐ Well ☐ Other: _____

☐ Natural gas, provided by: _____

☐ Propane tank: ☐ Owned ☐ Rented from: _____

☒ Electricity, provided by: Arkansas Valley

☒ Sewer, provided by: _____

☐ A non-municipal sewer system _____

☒ A municipality or county: City of Van Buren

☐ Septic system (See questions 5, 22, 44 & 45). Type, if known: _____

☐ Other: _____

☐ Cable provided by: _____ ☐ Satellite provided by: _____

☐ Telephone provided by: _____ ☐ Internet provided by: _____

☐ Security Service provided by: _____ ☐ Owned ☐ Leased

☒ Garbage pickup, provided by: City of Van Buren

☐ Fire protection, provided by: _____

☐ Seller's Homeowners Insurer: _____

☐ Termite policy (current), provided by (Name of Company): _____

To your knowledge, in what school district is the Property located? _____

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

SECTION 1 of 4 (continued)

- ☐ Special Property Assessment: Amount \$ _____ Frequency: _____
- ☐ Homestead Tax Credit has been claimed for the tax year of _____
- ☐ A Tax Benefit (tax assessment frozen) for over 65 or handicapped status has been claimed by Seller.

☐ **Mandatory Property Owner's Association Dues:**

Amount \$ _____

Frequency: _____

POA Contact Name _____

Phone Number: _____

☐ **POA has 1st Right of Refusal Option**

Covered by association fee (check all that apply):

- | | | | |
|---|---|---|---|
| <input type="checkbox"/> Swimming pool | <input type="checkbox"/> Hot tub | | |
| <input type="checkbox"/> Playground | <input type="checkbox"/> Clubhouse | <input type="checkbox"/> Tennis courts | <input type="checkbox"/> Fitness center |
| <input type="checkbox"/> Exterior maintenance | <input type="checkbox"/> Ground maintenance | <input type="checkbox"/> Garbage pickup | |
| <input type="checkbox"/> Termite contract | <input type="checkbox"/> Water | <input type="checkbox"/> Gas | <input type="checkbox"/> Other: _____ |

☐ **Shoreline Structures PERMITTING AGENCY:** _____

- ☐ Boat Dock (Number of Slips _____) ☐ Piers, Decks (No. _____)
- ☐ Lifts (No. _____) ☐ Boardwalk ☐ Boat Ramp
- ☐ Personal Watercraft (PWC) (No. _____)

☐ **Condominium/Town Home, total number of parking spaces:**

- ☐ Open (No. _____) ☐ Assigned (No. _____) ☐ Owned (No. _____)

These spaces are:

- ☐ Uncovered (No. _____) ☐ Covered (No. _____) ☐ Garage (No. _____)

☐ **Pool:**

- | | | |
|--|-----------------------------------|--------------------------------------|
| <input type="checkbox"/> Above ground | <input type="checkbox"/> Inground | |
| <input type="checkbox"/> Gunite/Concrete | <input type="checkbox"/> Liner | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Salt | <input type="checkbox"/> Chlorine | <input type="checkbox"/> Other _____ |

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

Concerning the Property referenced:

(N/A = Not Applicable)

1	Does Seller hold a real estate license?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Unknown	<input checked="" type="radio"/> N/A
2	To your knowledge, does any person owning an interest in the Property (if Seller is a corporation or other entity) hold a real estate license?	<input checked="" type="radio"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
3	To your knowledge, are there any persons or entities, other than those listed above as "Sellers," who claim or have ownership or leasehold interest or 1 st right of refusal option on the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
4	To your knowledge, has any person or entity ever refused to complete the purchase of the Property because of an actual or alleged problem with the condition of the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
5	To your knowledge, are there any features of the Property shared in common with adjoining landowners, such as walls, fences, driveways, septic systems, water wells, satellite dishes, or shared meters or shared utilities?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="radio"/> Unknown	<input type="checkbox"/> N/A
6	To your knowledge, is there a Homeowners Association, Planned Unit Development, historical preservation district, or architectural committee or board that has any authority over the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
7	To your knowledge, are there any common areas such as pools, tennis courts, driveways, roads or walkways co-owned with or used by others.	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
8	To your knowledge are there any fixtures or attached items (roofs, windows, HVAC, appliances, siding, alarm systems, solar panels, etc..) currently being leased or financed?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
9	To your knowledge, are there any leases or rental Agreements (or parties other than Seller in possession) currently in effect on the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
10	To your knowledge, have there been any room additions, structural modifications or other alterations made to the Property since the Property was originally constructed?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
11	To your knowledge, have any of the improvements on the Property been constructed at another site then moved onto the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

Concerning the Property referenced:

(N/A = Not Applicable)

12	To your knowledge, is the Property specially constructed or modified to permit access and use by a person with a physical disability?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
13	If the answer to Questions 10,11 or 12 was "Yes," to your knowledge were such structural changes done following issuance of a permit and in compliance with building codes?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
14	To your knowledge, are there any Bills of Assurance, deed restrictions, other obligations, or other use restrictions for the Property that a title search would not reveal?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
15	To your knowledge, are there any violations or nonconforming uses of the Property regarding zoning, land use restrictions or "setback" requirements or matters not disclosed in Question 14?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
16	To your knowledge, are there any notices of abatement or citations against the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
17	To your knowledge, are there any lawsuits affecting this Property or judgments against Seller that would affect the title or sale of the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
18	To your knowledge, are there any encroachments, easements, leases, liens, mortgages or deeds of trust, contracts for sale or installment land sales contracts, adverse possession claims or similar matters that affect the Property that a title search would not reveal?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
19	To your knowledge, has any boundary discrepancy or unsatisfactory condition concerning the Property been disclosed to you, including information obtained from a boundary survey, environmental report or property inspection of the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
20	To your knowledge, are there any external noise problems or other nuisances that would not be normal for this type of Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
21	To your knowledge, are there any facts, circumstances or events on or around the Property which, if known to a potential buyer, could adversely affect in a material manner the value or desirability of the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
22	To your knowledge, are there any defects in the appliances or the mechanical, electrical, plumbing, heating and air conditioning, water, sewer or septic systems of the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

Concerning the Property referenced:

(N/A = Not Applicable)

23	To your knowledge, are there any defects in the structure(s) or sub-structure(s) of any improvements located on the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
24	To your knowledge, has there ever been a problem with the roof on any of the improvements on the Property, such as defective shingles, damaged shingles, leaking or otherwise?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
25	To your knowledge, are there any other defects in the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
26	To your knowledge, is there any infestation by termites or other wood-destroying insects?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
27	Do you have knowledge or have you ever received notice from a termite company or other person or entity concerning possible problems or potential problems with the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
28	To your knowledge, is there any damage from a previous infestation of this type on the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
29	Have you ever filed or made an insurance claim, warranty claim, or other claim concerning the Property? Seller is aware that insurance claims against this Property may affect the availability/affordability of a Buyer to obtain homeowner's insurance and/or mortgage.	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
30	Have you ever received a settlement of a claim and not made repairs to improvements on the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
31	To your knowledge, is any of the Property in the floodplain or floodway?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
32	To your knowledge, has any lender required you to purchase flood insurance on the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
33	To your knowledge, has any part of the Property been designated as Wetlands?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
34	To your knowledge, has there been any settling from any cause, or slippage, sliding or other poor soil conditions at the Property or at adjacent properties?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
35	To your knowledge, has there been any flooding, drainage, grading problems, or has water ever stood on the Property or under any improvement constructed thereon?	<input checked="" type="radio"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

Concerning the Property referenced:

(N/A = Not Applicable)

36	To your knowledge, has there been any damage to the Property or any of the structures from fire, earthquake, storms, floods or landslides prior to or during your ownership?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
37	To your knowledge, has there been an unsatisfactory percolation, groundwater, or soil test concerning the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
38	To your knowledge, are there any existing pipelines carrying oil, gas or chemicals underneath or adjacent to the Property or are there any pipeline rights-of-way or easements over or adjacent to the Property?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="radio"/> Unknown	<input type="checkbox"/> N/A
39	To your knowledge, are there any underground storage tanks of any kind located on the Property?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="radio"/> Unknown	<input type="checkbox"/> N/A
40	To your knowledge, does the Property contain any exterior insulation finish system (EIFS) or synthetic stucco or similar components?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
41	To your knowledge, are there landfills, hazardous waste, asbestos, radon gas, urea-formaldehyde, electromagnetic fields, or other substances that may affect the Property or the occupants of the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
42	Is Seller aware of any unlawful chemical or drug substances or their manufacture within the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
43	To your knowledge, are there any notifications of environmental conditions about the Property from the EPA, governmental agencies, or some other source?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
44	To your knowledge, have there been any problems with any private sewer or water system, septic system, water well, or other system or utility servicing the Property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
45	To your knowledge, is there now or has there ever been a waste disposal maintenance and monitoring contract with maintenance personnel certified by the Arkansas Department of Health?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A

Seller Property Disclosure

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Concerning the Property referenced:

(N/A = Not Applicable)

46	To your knowledge, is there any surface or sub-surface mining or extraction for coal, gravel, rock, oil, gas, or other minerals on the Property or on adjacent properties?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
47	To your knowledge, is there any person or entity claiming or possibly having the right to claim the right to extract any minerals, oil, natural gas, coal or other minerals from the surface or sub-surface of the Property?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="radio"/> Unknown	<input type="checkbox"/> N/A
48	To your knowledge, does any person or entity, other than Seller, claim any rights to any natural resource or minerals located on the surface of the Property, sub-surface of the Property, or otherwise affecting or impacting the ownership or use of such natural resources or mineral rights?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="radio"/> Unknown	<input type="checkbox"/> N/A
49	Does Seller or anyone in possession of the property utilize audio or video surveillance in, on or about the property?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A

If the answer to any of the questions 1-49 is yes, reference question number and provide explanation. (Attach additional sheets if necessary)

#2: Ninh Nguyen, one of the member of Cherish Properties, hold a valid AR Real Estate License.

#35: See #51 explanation.

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

Concerning the Property referenced:

(N/A = Not Applicable)

50	To your knowledge, are there lead-based paint or lead-based paint hazards on any structures or improvements to the Property built prior to 1978 including, without limitation, garages, tool sheds, other outbuildings, fences, signs and mechanical equipment on the Property	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
-----------	--	------------------------------	-------------------------------------	----------------------------------	------------------------------

NOTICE: If question 50 is answered with "Yes" or "Unknown," the Lead-Based Paint Disclosure must be completed and acknowledged by all parties to the real estate transaction and attached to ANY Real Estate Contracts associated with this Property.

MOLD ENVIRONMENTAL CONDITIONS: Mold, mildew, spores and other microscopic organisms and/or Allergens (collectively referred to as "mold") are environmental conditions that are common in residential properties and may affect the Property. Mold, in some forms, has been reported to be toxic and may cause serious illnesses, including, but not limited to, allergic and/or respiratory reactions or other problems, particularly in persons with immune system problems, young children and/or the elderly. Mold has also been reported to cause extensive damage to personal and real property.

Selling Firm or Listing Firm cannot suggest, refer, recommend, or infer that you should or should not use a Mold Inspector. Should you desire an inspection by a Certified Mold Inspector, you should contact an Inspector who has been authorized to capture mold samples and/or air samples for laboratory testing.

No warranty, representation or recommendation can be made by any agent or representative of Selling Firm or Listing Firm concerning any Mold Inspector. The person(s) signing this Seller Property Disclosure is STRONGLY URGED to independently determine the competency of any Mold Inspector to be used in connection with the purchase, sale or rental of real estate.

51	To your knowledge, is there or has there ever been any past or present water intrusion?	<input checked="" type="radio"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A
52	To your knowledge, is there or has there ever been any presence of mold?	<input type="checkbox"/> Yes	<input checked="" type="radio"/> No	<input type="checkbox"/> Unknown	<input type="checkbox"/> N/A

If the answer to any of the questions 51-52 is yes, reference question number and provide explanation. (Attach additional sheets if necessary)

#51: When heavy rain caused water to enter the house from the back due to the city water detainer not draining properly, the seller cleared, debris from the ditch, built a berm, and installed a French drain. Since then, there have been no more issues.

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

SELLER HEREBY AUTHORIZES (UNLESS A POTENTIAL BUYER DESIRES NOT TO OBTAIN A COPY OF THE STATEMENT AS EXPRESSLY SET FORTH IN A REAL ESTATE CONTRACT) ALL AGENTS INVOLVED IN THE SALE OF THE PROPERTY TO DISTRIBUTE THIS SELLER PROPERTY DISCLOSURE TO PROSPECTIVE BUYERS OF THE PROPERTY. THIS SELLER PROPERTY DISCLOSURE IS INCORPORATED INTO THE LISTING AGREEMENT EXECUTED BY SELLER AND LISTING FIRM. SELLER FURTHER CERTIFIES THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF SELLER'S KNOWLEDGE AS OF THE ABOVE DATE. SELLER FURTHER AGREES TO NOTIFY IN WRITING TO BUYERS AND LISTING FIRM OF ANY CHANGES IN THIS DISCLOSURE THAT MAY BECOME KNOWN TO SELLER AFTER THE DATE SIGNED BY SELLER.

Seller acknowledges and has read, reviewed and understood the instructions on page 1 and completed this Seller Property Disclosure to the best of their knowledge:

SUBMITTED BY:

Signature: Quynh Giao Nguyen

Signature: _____

Printed Name: **Cherish Properties, LLC**
Seller

Printed Name: _____
Seller

(month) Feb (day) 1, (year) 2025, at 10:00 ☒ (a.m.) ☐ (p.m.)

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

SECTION 2 of 4: TO BE COMPLETED BY BUYER:

BUYER'S DISCLOSURE ACKNOWLEDGEMENT

Seller possesses no greater knowledge than that which could be obtained by inspection of the Property by potential buyers or their representatives. This statement is not a warranty of any kind by Seller, Listing Firm or any subagent of Listing Firm. **THIS DISCLOSURE IS NOT A SUBSTITUTE FOR INSPECTIONS. ANY POTENTIAL BUYER OF THE PROPERTY IS ENCOURAGED TO OBTAIN A PROFESSIONAL, PERSONAL OR OTHER INSPECTION PRIOR TO PURCHASING, OR OFFERING TO PURCHASE THE PROPERTY.**

We acknowledge receipt of a copy of this Seller Property Disclosure. We understand that the statements about the Property are true and correct to the best of Seller's knowledge as dated in Sections 1 and 2. It is not a warranty of any kind by seller or seller's agent and is not a substitute for any inspections buyer may wish to obtain.

If the presence of a registered sex offender is a matter of concern to Buyer, Buyer understands that Buyer must contact local law enforcement officials or access the State of Arkansas registered sexual offender website at <https://www.ark.org/offender-search/index.php> regarding such information.

Buyer is strongly urged, as part of any pre-closing investigation desired by Buyer concerning the Property to: (i) conduct testing for possible existence of chemical or drug substances in, on or about the Property, as desired by Buyer, and (ii) visit with applicable law enforcement authorities about possible prior illegal activity on or about the Property.

If the location of the Property being in a Flood or Flood Prone area is of concern to Buyer, Buyer may access FEMA (Federal Emergency Management Authority) at <https://www.fema.gov/flood-maps> mortgage lender may require you to purchase flood insurance in connection with your purchase of this Property. The National Flood Insurance Program provides for the availability of flood insurance but also establishes flood insurance policy premiums based on the risk of flooding in the area where properties are located. Due to recent amendments to federal law governing the NFIP those premiums are increasing, and in some cases will rise by a substantial amount over the premiums previously charged for flood insurance for the Property. As a result, you should not rely on the premiums paid for flood insurance on this Property previously as an indication of the premiums that will apply after you complete your purchase. In considering your purchase of this Property you should consult with one or more carriers of flood insurance for a better understanding of flood insurance coverage, the premiums that are likely to be required to purchase such insurance and any available information about how those premiums may increase in the future.

If question 50 is answered with "Yes" or "Unknown," the Lead-Based Paint Disclosure must be completed and acknowledged by all parties to the real estate transaction and attached to ANY Real Estate Contracts associated with this Property.

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

ALL STATEMENTS MADE IN THIS DISCLOSURE ARE MADE BY SELLER AND ARE NOT REPRESENTATIONS OF ANY AGENT(S) AND/OR SUBAGENT(S) OF SELLER. THE STATEMENTS MADE BY SELLER ARE BASED SOLELY UPON SELLER'S KNOWLEDGE AND INFORMATION AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY SELLER AGAINST ANY CONDITIONS THAT MAY EXIST THAT ARE UNKNOWN TO SELLER. THE BUYER IS AGAIN STRONGLY ENCOURAGED TO CONDUCT AND OBTAIN INSPECTIONS OF THE PROPERTY.

Signature: _____

Signature: _____

Printed Name: McKenzie Canady
Buyer

Printed Name: _____
Buyer

(month) _____ (day) _____, (year) _____, at _____ ☐ (a.m.) ☐ (p.m.)

COUNTERPARTS: This Seller Property Disclosure 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.

Seller Property Disclosure

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FORM SERIAL NUMBER: 047055-300173-8422505

SECTION 3 of 4: If this Seller Property Disclosure is dated more than 10 business days prior to an accepted contract, Seller will update this document WITHIN THREE (3) BUSINESS DAYS OF ACCEPTED REAL ESTATE CONTRACT AND WILL BE SIGNED AND DATED BY ALL PARTIES TO THIS TRANSACTION.

If Seller Property Disclosure is dated 10 or less business days prior to an accepted contract, Section 3 is not applicable.

Seller has reviewed all previously answered questions above and acknowledge there are:

- ☐ No changes.
- ☐ Changes (Reference question number and provide explanation. Attach additional sheets if necessary).

Submitted by:

Signature: _____

Signature: _____

Printed Name: **Cherish Properties, LLC**
Seller

Printed Name: _____
Seller

(month) _____ (day) _____, (year) _____, at _____ ☐ (a.m.) ☐ (p.m.)

Received by:

Signature: _____

Signature: _____

Printed Name: **McKenzie Canady**
Buyer

Printed Name: _____
Buyer

(month) _____ (day) _____, (year) _____, at _____ ☐ (a.m.) ☐ (p.m.)

Seller Property Disclosure

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SECTION 4 of 4: TO BE UPDATED BY SELLER WITHIN THREE (3) BUSINESS DAYS PRIOR TO CLOSING AND SIGNED AND DATED BY ALL PARTIES TO THIS TRANSACTION.

Seller has reviewed all previously answered questions above and acknowledge there are:

- ☐ No changes.
- ☐ Changes (Reference question number and provide explanation. Attach additional sheets if necessary).

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, 2025.

FORM SERIAL NUMBER: 047055-300173-8422505

REAL ESTATE LICENSEES ARE REGULATED BY THE ARKANSAS REAL ESTATE COMMISSION. IF A LICENSEE HAS NOT PROPERLY REPRESENTED YOU, YOU MAY FILE A COMPLAINT AT AREC.ARKANSAS.GOV.

Submitted by:

Signature: _____

Signature: _____

Printed Name: **Cherish Properties, LLC**
Seller

Printed Name: _____
Seller

(month) _____ (day) _____, (year) _____, at _____ ☐ (a.m.) ☐ (p.m.)

Received by:

Signature: _____

Signature: _____

Printed Name: **McKenzie Canady**
Buyer

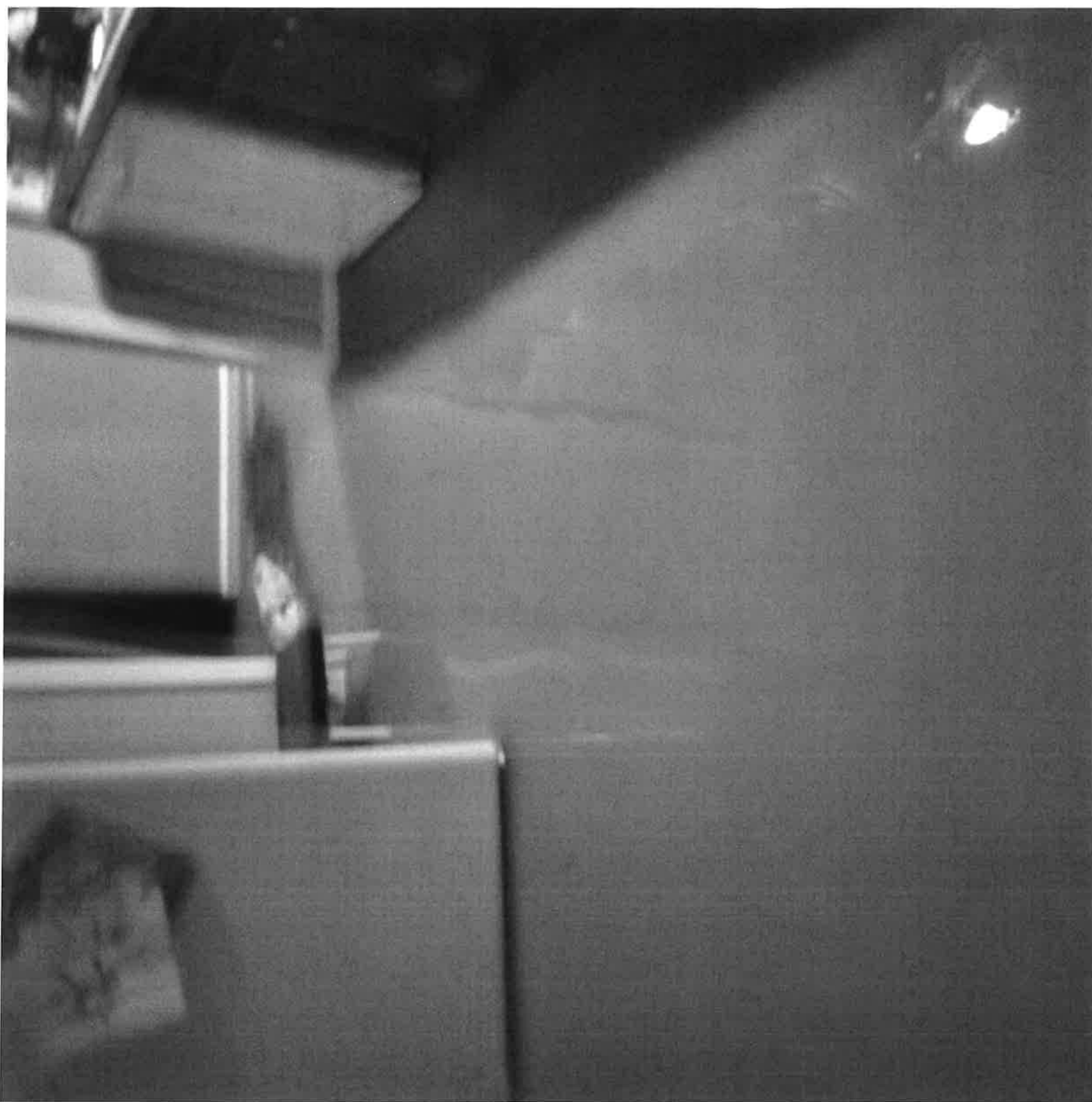
Printed Name: _____
Buyer

(month) _____ (day) _____, (year) _____, at _____ ☐ (a.m.) ☐ (p.m.)



PLAINTIFF'S
EXHIBIT
C







PROPOSAL

4 August 2025

Quote: 25QU306

Mckenzie Canady
3704 Terry St.
Van Buren, AR. 72956

RE: Flood Damage and Concrete Retaining Wall

Mckenzie,

Thank you for the opportunity to furnish a quotation on the above project.

The price would be: \$15,996.00

The scope of work to be performed is based off our discussion

Labor and Materials are included in this quote.

Replace all Interior Doors & Lower Cabinets

- Remove/replace all interior doors & frames.
- Disconnect all plumbing associated with cabinets and vanities.
- Remove/replace all lower cabinets in the kitchen & (2) bathroom vanities.
- Reuse existing door knobs.
- Reuse existing cabinet pulls/knobs.
- Paint all doors and frames that are replaced.
- Stain new lower cabinets to match upper cabinets.
- Hook up all plumbing that was disconnected for cabinets and vanities.
- Clean up daily and haul off refuse.

Interior Flood Damage Repairs, Concrete Retaining Wall, & French Drain

Remove/Replace sheetrock:

- Move furniture out away from walls.
- Remove existing wood base baseboard.
- Remove 2' of sheetrock starting at floor on every wall in the house (interior walls).
- Remove 2' of insulation in places there is insulation.
- Clean wood framing.
- Install new insulation back.
- Install new sheetrock.
- Tape, float, texture, prime, and paint new sheetrock.
- Prime and paint new wood base board.
- Install new wood base board.
- Clean up daily.

The price would be: \$23,792.00



Pour concrete retaining wall: (323 LF x 2' above grade)

- Do earthwork 18" below existing grade.
- Build forms and install rebar.
- Pour concrete.
- Remove forms.
- Repair yard.
- Remove any unused earth spoils.

The price would be: \$41,602.00

French drain in across back yard: (75 LF)

- Do earthwork.
- Install sewer gravel.
- Install French drain pipe.
- Install sewer gravel.
- Install landscape fabric.
- Fill trench with dirt.
- Repair yard.
- Haul off any unused earth spoils.

The price would be: \$16,394.00

Terms & Conditions:

Any unforeseen situations, conditions, or issues discovered during the project that require additional work or materials will be subject to increased cost. These costs will be discussed and approved by the customer prior to proceeding.

Quote is good for 30 days

Sincerely,
HOBBS CONSTRUCTION COMPANY, INC.



Robert G. Routt