

FILED
FT. SMITH DIST.

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Cindy [Signature]
CIR. CLERK SEB. CO.

**IN THE CIRCUIT COURT OF SEBASTIAN COUNTY, ARKANSAS
FORT SMITH DISTRICT
CIVIL DIVISION VII**

**FIRST NATIONAL BANK OF
FORT SMITH**

PLAINTIFF

V. CASE NO: CV-2021-318

**BOLDING CONSTRUCTION COMPANY, INC.;
MAX A. RODRIGUEZ a/k/a MAXIMUS TYRANNUS
AVERY, Individually;
UNITED FEDERAL CREDIT UNION; and
SRS DISTRIBUTION, INC. d/b/a SOUTHERN SHINGLES**

DEFENDANTS

UNITED FEDERAL CREDIT UNION

V.

**MAX A. RODRIGUEZ a/k/a
MAXIMUS TYRANNUS AVERY, Individually;
SRS DISTRIBUTION, INC.
d/b/a SOUTHERN SHINGLES;
FIRST NATIONAL BANK OF FORT SMITH;
And FORWARD FINANCING, LLC.**

**CROSS/COUNTER-
DEFENDANTS;
THIRD-PARTY
DEFENDANT**

**SEPARATE DEFENDANT, UNITED FEDERAL CREDIT UNION'S THIRD-PARTY
COMPLAINT FOR FORECLOSURE, JUDGMENT, AND AFFIDAVIT OF
POSSESSION**

COMES NOW, the Separate Defendant/Cross-Counter and Third-Party Plaintiff, United Federal Credit Union, (the "Plaintiff" or "UFCU" herein), and for its cause of action against Forward Financing, LLC ("Forward Financing"); respectfully alleges and states:

I. Description of the Parties, Jurisdiction and Venue

1. The Plaintiff is a federal credit union organized and existing under the laws of the State of Michigan doing business throughout the State of Arkansas and, specifically, through a location in Fort Smith, Sebastian County, Arkansas.

2. Upon information and belief, the Defendant Avery is both a citizen and resident of Sebastian County, Arkansas.

3. Upon information and belief, the Defendant SRS is a for-profit corporation organized and existing under the laws of the State of Delaware.

4. Upon information and belief, the Third-Party Defendant, Forward Financing is a limited liability company organized and existing under the laws of the State of Delaware.

5. Upon information and belief, the Defendant First National is a national bank authorized and chartered under the laws of the United States engaged in business as a bank in Fort Smith, Sebastian County, Arkansas.

6. This lawsuit involves the default on a series of promissory notes secured by mortgage liens on a parcel of real property located in Sebastian County, Arkansas.

7. That the Soldiers and Sailors Relief Act of 1940, as amended, does not apply to any of the Defendants herein.

8. This Court has jurisdiction of the parties hereto and of the subject matter, including *in rem* jurisdiction over the real property subject hereof. Venue is proper in this Court pursuant to Ark. Code Ann. § 16-60-101.

II. Causes of Action

9. On July 13, 2018, Maximus Tyrannus Avery fka Max Rodriguez (the “Borrowing Defendant”), for consideration received, executed and delivered that certain Promissory Note

("Note 1") in favor of the Plaintiff whereby the Plaintiff loaned the Borrowing Defendant the sum of Five Hundred Forty-Five Thousand and No/100 (\$545,000.00). A copy of Note 1 is attached hereto as Exhibit "A" and incorporated herein by reference as if set out word for word herein.

10. Under the terms of Note 1, the Borrowing Defendant was to pay UFCU the entire unpaid principal and accrued interest on demand, but if no demand was made, then the entire unpaid principal and accrued interest was due and payable on August 1, 2048.

11. That to secure the indebtedness evidenced by Note 1, Borrowing Defendant did execute, acknowledge and deliver that certain Mortgage to the Plaintiff on July 13, 2018 ("Mortgage 1") on the following described real property situated in Sebastian County, Arkansas (the "Property"), to-wit:

**LOTS 11 AND 12 AND THE NORTH HALF OF LOT 10, BLOCK 1,
FITZGERALD, AN ADDITION TO THE CITY OF FORT SMITH,
SEBASTIAN COUNTY, ARKANSAS.**

12. Mortgage 1 was duly acknowledged and filed with the Office of the Ex-Officio Clerk and Recorder of Sebastian County, Arkansas, on July 19, 2018, in Book 2018 at Page 16049. A true copy of Mortgage 1 is attached hereto, marked as Exhibit "B" and is incorporated by reference as if set forth word for word herein.

13. Mortgage 1 contains a waiver by Borrowing Defendant of all rights of homestead exemption in, dower and curtesy, statutory redemption of, and right of appraisement relating to the Property under the laws of the State of Arkansas.

14. Mortgage 1 grants to the Plaintiff a first priority, perfected mortgage lien with respect to the Property.

15. On May 21, 2019, Borrowing Defendant, for consideration received, executed and delivered that certain Home Equity Credit Line Agreement and Truth-In-Lending Disclosure

Statement ("Note 2") in favor of the Plaintiff whereby the Plaintiff allowed the Borrowing Defendant the sum of One Hundred Forty-One Thousand and No/100 (\$141,000.00) in credit. A copy of Note 2 is attached hereto as Exhibit "C" and incorporated herein by reference as if set out word for word herein.

16. Note 2 incorporates by reference, as an additional event of default, the Borrowing Defendants' failure to comply with any term, obligation, covenant or condition contained in any agreement, including Agreement 2, between the Borrowing Defendants and the Plaintiff.

17. By the terms of Note 2, the Borrowing Defendants waived protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor. The Borrowing Defendants further agreed that they would pay all attorneys' fees, costs and other expenses incurred by Pinnacle in the collection and enforcement of Note 2.

18. Under the terms of Note 2, the Borrowing Defendants were to pay Pinnacle the entire unpaid principal and accrued interest on demand, but if no demand was made, then the entire unpaid principal and accrued interest was due and payable on July 15, 2008.

19. That to secure the indebtedness evidenced by the Notes, Borrowing Defendant did execute, acknowledge and deliver that certain Revolving Credit Mortgage to the Plaintiff on May 21, 2019 ("Mortgage 2") on the following Property situated in Sebastian County, Arkansas, to-wit:

LOTS 11 AND 12 AND THE NORTH HALF OF LOT 10, BLOCK 1, FITZGERALD, AN ADDITION TO THE CITY OF FORT SMITH, SEBASTIAN COUNTY, ARKANSAS.

AND BEING the same property conveyed to Max Rodriguez from Linda Spicer, as Personal Representative of the Estate of David Spicer, Deceased by Fiduciary Deed dated December 11, 2017 and recorded December 13, 2017 in Instrument No. 2017-26973.

Tax Parcel No. 1276300120020900

20. Mortgage 2 was duly acknowledged and filed with the Office of the Ex-Officio Clerk and Recorder of Sebastian County, Arkansas, on June 7, 2019, in Book 2019 at Page 11899. A true copy of Mortgage 2 is attached hereto, marked as Exhibit "D" and is incorporated by reference as if set forth word for word herein.

21. Mortgage 2 contains a waiver by Borrowing Defendant of homestead exemption, dower, and curtesy relating to the Property under the laws of the State of Arkansas.

22. Mortgage 2 grants to the Plaintiff a perfected mortgage lien with respect to the Property.

23. The Borrowing Defendant has defaulted under the Notes by, among other defaults, failing to make full payments in a timely manner, and upon UFCU's information and belief, by defaulting on obligations due other creditors. As a result thereof, a material adverse change has occurred in the financial conditions of the Borrowing Defendant and UFCU in good faith believes itself insecure in the payment and performance of said Borrowing Defendant's obligations.

24. That on September 14, 2021, UFCU made demand on Borrowing Defendant, through his counsel in this action, to pay UFCU the full amounts due and owing under Note 1 and Note 2.

25. Pursuant to the terms of Mortgage 1 and Mortgage 2, the Plaintiff elects to accelerate the indebtedness due it under the Notes and foreclose on the Property through judicial foreclosure proceedings.

26. Pursuant to the terms of the Notes, the Plaintiff demands all unpaid charges, interest and principal balances under the Notes immediately due and payable.

27. Pursuant to the terms of the Notes, the Borrowing Defendant is obligated to the Plaintiff for the accruing interest and all reasonable costs incurred to collect under the Notes, including attorneys' fees, court costs and other legal expenses.

28. There is now due thereon, pursuant to the Note 1 and Mortgage 1, the principal sum of \$542,024.60 as of September 9, 2021, plus interest due in the amount of \$22,671.24 as of September 9, 2021, accruing at the rate of \$72.39370 per day as of September 9, 2021, until paid, late charges and other contractual charges in the amount of \$1,539.83, plus costs and attorneys' fees.

29. There is now due thereon, pursuant to Note 2 and Mortgage 2, the principal sum of \$141,000.00 as of September 9, 2021, plus interest due in the amount of \$5,791.93 as of September 9, 2021, accruing at a rate of \$18.34931 per day as of September 9, 2021, until paid, late charges and other contractual charges in the amount of \$222.84, plus costs and attorneys' fees.

30. That on or about July 7, 2021, Third Party Defendant, Forward Financing LLC, was granted a Default Judgment against Max Avery in Circuit Court of Sebastian County, Fort Smith District, Case No. CV-2021-164.

31. That Third Party Defendant, Forward Financing LLC, may claim some interest in this property as a result of its Default Judgment. This claim is subject to and inferior to the Mortgage 1 and Mortgage 2 lien of the Plaintiff described above and should be both barred and foreclosed.

32. That the Plaintiff expressly and unequivocally reserves the right to amend and/or add parties to this present litigation should any other interests in the above-described Property be discovered.

WHEREFORE, the Third Party Plaintiff, United Federal Credit Union, prays that it have Judgment against the Third Party Defendant and that the judgment be adjudged and declared to be a first and paramount lien on the above-described Property together with all improvements thereon and all appurtenances, fixtures, and equipment thereunto belonging or pertaining prior and superior to any right, title, claim or interest of the Third Party Defendants or any of them or anyone claiming by through, or under them; that if the Judgment is not paid within a short time to be fixed by the Court that the above Property be sold by the Commissioner of the Court appointed for that purpose, the all right, title, and equity of the Third Party Defendant should be foreclosed and forever barred; that the purchaser at the sale of the Property be decreed to have a right to immediate possession thereof and be entitled to a writ of assistance to be executed by the Clerk of this Court to enforce delivery of possession and that UFCU be granted any and all other proper legal and equitable relief to which it may be entitled.

Respectfully submitted,

UNITED FEDERAL CREDIT UNION,
THIRD-PARTY PLAINTIFF

**MILLER, BUTLER, SCHNEIDER,
PAWLIK & ROZZELL, PLLC**
224 South 2nd St.
Rogers, AR 72756
Telephone: (479) 621-0006
Telecopier: (479) 631-6890

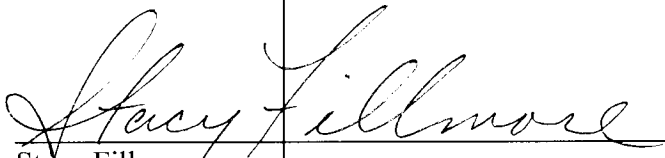


Jenna R. Fogleman, Ark Bar #2015150
jfogleman@arkattorneys.com

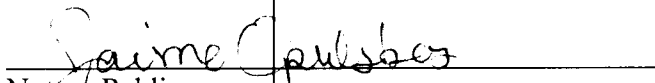
VERIFICATION

STATE OF Michigan)
)ss.
COUNTY OF Berrien)

I, Stacy Fillmore, on oath state that I am the Chief Operating Officer, the Cross/Counter and Third-Party Plaintiff in the above-entitled case, and as such state that I have read the allegations and statements contained in the foregoing and that same are true and correct to the best of my knowledge, information and belief.


Stacy Fillmore

Subscribed and sworn to before me this 12th day of October, 2021.


Notary Public

My Commission Expires:

July 19 2023

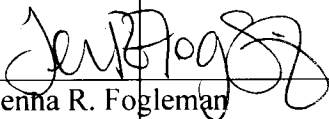
Jaime Opulskas
Notary Public Berrien County Michigan
Acting In Berrien County Michigan
My commission expires July 19, 2023

CERTIFICATE OF SERVICE

I, Jenna R. Fogleman, state that I have on this 12th day of November, 2021, served a true and correct copy of the above and foregoing Third Party Complaint by depositing a copy of same in the U.S. Mail, postage prepaid and addressed to:

***Rebecca D. Hattabaugh, Esq.
LEDBETTER, COGBILL,
ARNOLD & HARRISON, LLP
P.O. Box 185
Fort Smith, AR 72902-0185***

***Michael Collins
4300 Rogers Ave., Suite 45
Fort Smith, AR 72903***


Jenna R. Fogleman

LOAN #: 501700849217

NOTE

July 13, 2018
[Date]

Saint Joseph,
[City]

Michigan
[State]

302-304 S 14th St, Fort Smith, AR 72901
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. **\$545,000.00** (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is **United Federal Credit Union, a Federal Credit Union**.

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of **4.875 %**.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the **1st** day of each month beginning on **September 1, 2018**. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on **August 1, 2048**, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at **2807 South State Street
St. Joseph, MI 49085**

or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. **\$2,884.18**.

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any

Initials: *MS*

EXHIBIT

A

tabbles



LOAN #: 501700849217

sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which

Initials: 



LOAN #: 501700849217

Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.



MAX RODRIGUEZ

(Seal)

Lender: United Federal Credit Union
NMLS ID: 471962
Loan Originator: Drew Waack
NMLS ID: 1573539

[Sign Original Only]

Initials: 



eRECORDED
2018-16049
Certificate of Record
FORT SMITH DISTRICT
SEBASTIAN COUNTY, ARKANSAS
SHARON BROOKS
COUNTY CLERK & RECORDER
07/19/2018 1:21:02 PM
RECORDING FEE: 75.00
Pages: 13

When recorded, return to:
United Federal Credit Union
Attn: Final Document Department
2380 Pipestone Road
Benton Harbor, MI 49022

This instrument was prepared by:
Jennifer Venno
United Federal Credit Union
2380 Pipestone Rd
Benton Harbor, MI 49022
888-982-1400 4005

Title Order No.: BO18-449
Escrow No.: BO18-449
LOAN #: 501700849217

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated July 13, 2018, together with all Riders to this document.

(B) "Borrower" is MAX RODRIGUEZ, SINGLE MAN.

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is United Federal Credit Union.

ARKANSAS—Single Family—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Elle Mae, Inc.

Page 1 of 12

Form 3004 1/01

Initials: 
ARUDEL 0315
ARUDEL (CLS)
07/12/2018 08:15 AM PST

EXHIBIT

B



Lender is a Federal Credit Union,
under the laws of The United States of America.
2807 South State Street, St. Joseph, MI 49085.

LOAN #: 501700849217
organized and existing
Lender's address is

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated July 13, 2018. The Note states that Borrower owes Lender FIVE HUNDRED FORTY FIVE THOUSAND AND NO/100***** Dollars (U.S. \$545,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than August 1, 2048.

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Other(s) [specify] |
| <input type="checkbox"/> 1-4 Family Rider | <input type="checkbox"/> Biweekly Payment Rider | |
| <input type="checkbox"/> V.A. Rider | | |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note.



LOAN #: 501700849217

For this purpose, Borrower irrevocably mortgages, grants and conveys to Lender the following described property located in the **County** [Type of Recording Jurisdiction] Of **Sebastian**

[Name of Recording Jurisdiction]:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS "EXHIBIT A".

which currently has the address of **302-304 S 14th St, Fort Smith,**

[Street] [City]

Arkansas 72901

("Property Address"):

[Zip Code]

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

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its



LOAN #: 501700849217

scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required



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to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such



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policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority



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over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:



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(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any



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Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors In Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.



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As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

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

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant



to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

It is understood and agreed to by Borrower that this Security Instrument is subject to the foreclosure procedures of the Arkansas Statutory Foreclosure Law, Act 53 of 1987, as amended from time to time (the "Act"), for Borrower's breach of any covenant or agreement in this Security Instrument. In furtherance and not in limitation of the provisions of Section 12, any forbearance by Lender in exercising any right or remedy under the Act shall not be a waiver of or preclude acceleration and the exercise of any right or remedy under the Act, or at the option of Lender, use of judicial foreclosure proceedings.

23. Release. Upon payment in full of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

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



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

MAX RODRIGUEZ

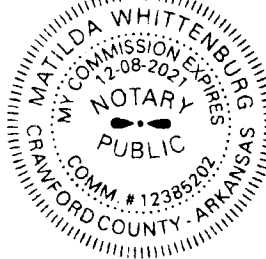
LOAN #: 501700849217

7-13-18 (Seal)
DATE

State of ARKANSAS
County of SEBASTIAN

On this 13th day of JULY, 2018, before me, a Notary Public, (or before any officer within this State or without the State now qualified under existing law to take acknowledgments), appeared the within named MAX RODRIGUEZ, to me personally well known (or satisfactorily proven to be such person), who stated and acknowledged that [he, she, or they] had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 13th day of JULY, 2018.



Matilda Whittenburg
Notary Public

Lender: United Federal Credit Union
NMLS ID: 471962
Loan Originator: Drew Waack
NMLS ID: 1573539

ARKANSAS--Single Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Ellie Mae, Inc. Page 12 of 12

Form 3004 1/01

Initials: Ma
ARUDEDL 0315
ARUDEDL (CLS)
07/12/2018 08:15 AM PST



N

EXHIBIT "A"

Lots 11 and 12 and the North Half of Lot 10, Block I, Fitzgerald, an addition to the City of Fort Smith, Sebastian County, Arkansas.



United Federal Credit Union
2807 S. State Street
St. Joseph, MI 49085
(888) 982-1400



HomeEquity
Open-end Credit Plan
(Interest Only)

Member Number
9316

Borrower's Name MAXIMUS TYRANNUS AVERY	Address 304 14TH ST Fort Smith, AR 72901	Date of Birth 12/21/1985
Co-Borrower's Name	Address	Date of Birth

HOME EQUITY CREDIT LINE AGREEMENT AND TRUTH-IN-LENDING DISCLOSURE STATEMENT

HOW TO COMPUTE THE FINANCE CHARGE: The **FINANCE CHARGE** is the total cost to me of obtaining credit under this Plan. The **FINANCE CHARGE** begins to accrue on the date each advance is posted to my Credit Limit and accrues for each day the balance remains unpaid. There is no "free ride period" which would allow me to avoid a **FINANCE CHARGE** on my credit line loan advances. The unpaid principal balance for each day is multiplied by the daily periodic rate, as set forth below, to determine the **FINANCE CHARGE** I will pay. The unpaid principal balance is the unpaid balance of all advances made to me under the Plan at the close of each day after all transactions, including payments, new advances, and other charges have been entered. All activity in the Plan during each monthly period (Cycle) including all new advances, posted to the account during the Cycle will be subject to a finance charge from the date an advance is posted to my account and will continue to accrue until the date of payment.

Other Charges: In addition to the **FINANCE CHARGE**, I will be charged the following costs in connection with this Plan.

Description of Charge	Amount	Description of Charge	Amount
Discharge Fee	\$20.00		

Early Termination Fee; Lien: If I close this Plan within 24 months of the date I opened the Plan, I will have to pay an administrative cost of \$250.00 that you incurred on my behalf to establish my account. You may take this fee from my savings or checking account or I may pay this fee in any other manner acceptable to you. The **Early Termination Fee** shall be secured by the security instrument securing this Plan, and United Federal Credit Union's Lien against the Property shall not be satisfied, nor the security instrument released, until the Fee is paid in full. Additionally, the Fee will be added to the payoff amount (including the beneficiary's demand) and must be paid prior to the issuance of any reconveyance.

Late Charges: If my payment is not paid within 10 days of the payment due date, you will charge me 5% of the payment due or \$25.00, whichever is greater.

Modification Fee: \$50.00

Security Interest: Security is required for this Plan. This Plan is secured by a security instrument dated 5/21/2019 in the property located at 304 14th Street Fort Smith, AR 72901 State of

This agreement is not secured by any of my other personal property taken as security for the other loans I may have with you.

Term of Plan: Last Advance Date: 5/25/2029

Maturity Date: 5/25/2029

Variable Rate Feature: This Plan has a variable rate for the term of the Plan and the **ANNUAL PERCENTAGE RATE** and corresponding periodic rate and minimum payment can change as a result. The **ANNUAL PERCENTAGE RATE** includes only interest and no other costs.

To determine the **ANNUAL PERCENTAGE RATE**, we multiply the daily periodic rate by the number of days in a year. The **ANNUAL PERCENTAGE RATE** is based on the value of an index. The index is the highest rate of interest identified as the 'Prime Rate' in the 'Money Rates' section of the Wall Street Journal. To determine the **ANNUAL PERCENTAGE RATE** that will apply to my account, you add a margin based on my creditworthiness, Loan-to-Value (LTV) Ratio, and loan amount to the value of the index and then round up to the nearest 0.25%.

The annual percentage rate can change daily. There is no limit on the amount by which the **ANNUAL PERCENTAGE RATE** can change during any one year period. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 18%. The minimum **ANNUAL PERCENTAGE RATE** that can apply is 3.25%.

The current Index is 5.50% per annum. My margin is +1.50%. Therefore, the initial **ANNUAL PERCENTAGE RATE** (Index plus margin) on my credit line is 7.00%, and the corresponding daily periodic rate is 0.019178%.

Transaction Limits: The following transaction limitations will apply to my Plan:

Line of Credit Limit: \$141,000.00
Minimum Initial Advance Amount: \$10,000.00
Minimum Advance for Subsequent Advances: \$250.00

Wisconsin Consumer Act (Applies to Wisconsin Borrowers Only): If my loan is \$25,000 or less, the Wisconsin Consumer Act (Wisconsin Statutes Chapters 421 through 427 or as may be renumbered from time to time) applies to my loan. If my loan is more than \$25,000, the Wisconsin Consumer Act does not apply. Certain provisions contained in this agreement shall apply only to loans to which the Wisconsin Consumer Act applies, and shall be noted as such. All other provisions shall apply to all loans regardless of loan amount.

THIS OBLIGATION MAY BE THE BASIS FOR PERSONAL ACTION AGAINST THE BORROWER OR BORROWERS IN ADDITION TO OTHER REMEDIES ALLOWED BY LAW.

I have read and accept the terms and conditions of the Home Equity Credit Line Agreement and Truth-in-Lending Disclosure Statement shown on pages 1-4 of this document. I acknowledge receipt of a copy of the credit agreement, including the Fair Credit Billing Notice. If I purchase optional loan products in connection with this loan, I understand that a portion of the premium or fee I pay will be retained by the credit union (or paid back to the credit union by the service provider) as compensation for making these services available to me. I also acknowledge receipt of the product application(s), disclosures, and contract(s) regarding the product(s).

Negative Information Notice: You may report information about my account to credit bureaus. Late payments, missed payments, or other defaults on my account may be reflected in my credit report.

Borrower's Signature
X Maximus T Avery
Date
5/21/2019

Co-Borrower's Signature (Where Applicable)
X
Date
5/21/2019

Lender: United Federal Credit Union
X
Date
5/21/2019

NOTICE: See Attached Notice for Important Information Regarding My Rights to Dispute Billing Errors.

Borrower's Name
MAXIMUS TYRANNUS AVERY

Account Number
870209316

MY BILLING RIGHTS NOTICE - KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about my rights and your responsibilities under the Fair Credit Billing Act.

Notify You In Case of Errors or Questions About My Statement

If I think my statement is wrong, or if I need more information about a transaction shown on it, I will write to you at the address listed on my statement, as soon as possible. You must hear from me no later than 60 days after you sent me the first statement on which the error or problem appeared. I may telephone you, but doing so will not preserve my rights.

In my letter, I will give you the following information:

1. My name and account number.
2. The dollar amount of the suspected error.
3. Describe the error and explain, if I can, why I believe there is an error. If I need more information, I will describe the item I am not sure about.

My Rights and Your Responsibilities After You Receive My Written Notice

You must acknowledge my letter within 30 days, unless you have corrected the error by then. Within 90 days, you must either correct the error or explain why you believe the statement was correct.

After you receive my letter, you cannot try to collect any amount I question, or report me as delinquent. You can continue to bill me for the amount I question, including finance charges, and you can apply any unpaid amount against my credit limit. I do not have to pay any questioned amount while you are investigating, but I am still obligated to pay the parts of my statement that are not in question.

If you find that you made a mistake on my statement, I will not have to pay any finance charges related to any questioned amount. If you didn't make a mistake, I may have to pay finance charges and I will have to make up any missed payments on the questioned amount. In either case, you will send me a statement of the amount I owe and the date that it is due.

If I fail to pay the amount that you think I owe, you may report me as delinquent. However, if your explanation does not satisfy me and I write to you within ten days telling you that I still refuse to pay, you must tell anyone you report me to that I have a question about my statement. And, you must tell me the name of anyone you reported me to. You must tell anyone you report me to that the matter has been settled between us when it finally is.

HOME EQUITY CREDIT AGREEMENT

This "agreement," which includes all terms and conditions on pages 1-4 of this document, governs my Open-End Home Equity Plan ("Plan"). In this agreement, the words "I," "me," "my," and "mine" mean each and every person who signs the Plan application or uses the Plan. The words "You," "Your," and "Yours," will mean the Credit Union. The following terms and conditions will govern this Plan.

Promise to Pay: I promise to pay you the total of all advances made under this Plan, **FINANCE CHARGES**, and other applicable charges and collection costs set forth in this agreement or under the security instrument securing this credit line on the payment terms described below. If there is more than one borrower, each is individually and jointly responsible under this Plan. This means each person signing this Plan is personally responsible for all amounts due under this Plan. Each borrower authorizes any other borrower, on his or her signature alone, to request and receive advances, and to do all things necessary to carry out the terms of this Plan. You may release any borrower from responsibility under this Plan without releasing others who may be jointly responsible.

Allocation of Payments: Payments received shall be applied in the following order: to charges for optional products such as credit insurance; any amounts for which I have exceeded my credit limit and corresponding over-the-limit fees; any amounts representing past due payments and corresponding late fees; any other amounts advanced or owed to You; accrued interest and finance charges; and then to principal (unless the minimum required payment is calculated based on the amount of accrued interest only, in which case payments received will not be applied to principal). Additional payments or payments exceeding the minimum amount due will be applied toward the accrued interest, unless the borrower instructs you to apply the additional amounts towards principal. Amounts not paid may be added to the principal balance; if so, interest will accrue on those amounts.

Minimum Payment Requirements: I can obtain advances of credit for 10 years (the "draw period"). Unless at your option you renew or extend the draw period. After the draw period ends, I will no longer be able to obtain credit advances and I must pay the outstanding balance on my account. During this period, payments will be due monthly. My minimum monthly payment will equal the amount of accrued interest. My minimum monthly payment will include any amounts past due and any amount by which I have exceeded my credit limit and any other charges. The minimum monthly payments may not be sufficient to fully repay the principal on my line by the end of the draw period. If they are not, I will then be required to pay the entire balance in a single balloon payment.

Balloon Payment: The minimum payment may not reduce the principal that is outstanding on my line by the final payment date. I will then be required to pay the entire balance in a single "balloon" payment. I will also be required to immediately pay the entire balance in a balloon payment if I terminate my Plan. Unless otherwise required by applicable law, you are under no obligation to refinance the balloon payment at that time. I may be required to make payments out of other assets I own or find a lender, which may be you, willing to lend me money. If I refinance the balloon, I may have to pay some or all of the closing costs normally associated with a new loan.

Term: The term of my credit line will begin as of the Effective Date of this agreement and will continue until the Maturity Date as previously disclosed. The period during which I may obtain advances will begin as of the Effective Date of this agreement and will continue, unless terminated or suspended, until the Last Advance Date as previously disclosed. Following the Last Advance Date I may no longer be able to obtain further advances on my credit line, unless, at your option, you allow me to extend or renew the right to further credit advances.

Credit Limit: This agreement covers a revolving line of credit in an amount set forth in the Disclosure Statement shown on page 1 of this document and the security instrument. Under this agreement I may borrow up to the credit limit, repay the amount borrowed, and reborrow up to the amount of the credit limit. That amount will be the maximum amount I may have outstanding at any one time. I agree not to attempt to obtain more credit than the amount of my credit limit. Overdrawing my credit line does not increase my credit limit. If I exceed my credit limit, I agree to repay the excess immediately.

Charges to My Credit Line: You may, at your option, charge my credit line for funds required for continuing insurance coverage as discussed in the paragraph titled "Property Insurance" or to pay other fees and costs that I am obligated to pay under this Agreement (including credit insurance premiums, if applicable) or the security instrument. You may also, at your option, charge my credit line to fund delinquent payments or any other of my obligations due under any agreement secured by my residence. If I do not pay my property taxes or other assessments that may become a lien on the property that secures this Plan when they are due, you may, at your option, make an advance under this Plan to pay the delinquent taxes or assessments.

Credit Advances: After the "Effective Date" of this Agreement as defined below, I may obtain advances under this Plan by telephone, in person, by loan drafts, or by online banking. Charged amounts will decrease my credit line.

Loan Draft Access: You may authorize me to obtain credit advances by writing loan drafts on my Plan. You reserve the right not to honor a loan draft in the following circumstances: (a) My credit limit has been or would be exceeded by paying the loan draft. (b) My loan draft is post-dated. If a post-dated loan draft is paid and as a result any other check is returned or not paid, you are not responsible. (c) My loan drafts have been reported lost or stolen. I should notify you at once if my loan drafts are lost or stolen. (d) My loan draft is not signed by a joint borrower, which means a person who signed this Agreement, or has signed a separate signature card for the account. (e) My Plan has been terminated or suspended as provided in this Agreement. (f) The amount of my loan draft is less than the minimum amount required by this Agreement or I am in violation of any other transaction requirement.

If you pay any loan draft under these conditions, I must repay you for the amount of the loan draft and any charges permitted by law. The loan draft itself will be evidence of my debt to you together with this Agreement. Your liability, if any, for wrongful dishonor of a loan draft is limited to my actual damages. Dishonor for any reason as provided in the Agreement is not wrongful dishonor. You may not return the loan drafts along with my periodic statements; however, my use of a loan draft will be reflected on my periodic statement as a credit advance. You do not "certify" loan drafts drawn on my Plan.

Borrower's Name
MAXIMUS TYRANNUS AVERY

Account Number
870209316

Property Insurance: I must obtain insurance on the property covered by the security instrument in an amount satisfactory to you. I may obtain property insurance from anyone I want that is acceptable to you. I will supply you with proof of such insurance until all sums owed to you and secured by this property are repaid. If I fail to maintain insurance you may, subject to applicable law, purchase insurance to protect your interest and add the cost of such insurance to the sums I owe. If insurance benefits do not pay the outstanding balance in full, I will remain responsible for the unpaid balance due and for any **FINANCE CHARGES**, which will continue to accrue on the remaining outstanding balance. I promise to have any insurance policy made payable to the Credit Union and, if asked, to deliver the policy to the Credit Union.

Billing Statements: At the close of each monthly billing cycle, I will be provided with a billing statement. The statement will show, among other things, advances taken, **FINANCE CHARGES**, other charges, payments made by me, any other credits, my previous balance and my new balance. My statement will also identify the minimum monthly payment I must make for that billing period and the date it is due.

Termination and Acceleration: *For Iowa Residents Only:* You may terminate my credit line and declare the entire unpaid balance of my credit line account immediately due and payable subject to notice as may be required under applicable law if one or more of the following events occur: (a) I engage in fraud or material misrepresentation in connection with this Plan; (b) If I fail to pay a minimum monthly payment within ten (10) days of the time required; (c) My action or inaction materially impairs the condition of, value of, or your rights in the collateral, or materially impairs my prospects to pay amounts due under this Agreement. The following events, while not exclusive, will materially impair my prospects to pay amounts due: if I file a petition in bankruptcy, insolvency, or receivership or am put involuntarily into such proceeding.

If I default, you will send me a Notice of Default, and I will have an opportunity to cure the default as provided by applicable law. If I fail to cure the default, you can invoke the remedies permitted under the security agreement.

For Wisconsin Borrowers Only: You can terminate the Home Equity Open-end Credit Plan and require me to pay you the entire outstanding balance in one payment and charge me certain fees if: (a) I fail to make a required payment when due two times within a twelve month period, or (b) My failure to observe the terms of this Plan materially impairs the condition, value, or protection of, or your rights in, the property securing this Plan.

For All Other Borrowers: You may terminate my credit line and declare the entire unpaid balance of my credit line account immediately due and payable subject to notice as may be required under applicable law if one or more of the following events occur: (a) I engage in fraud or material misrepresentation in connection with this Plan; (b) If I fail to pay a minimum monthly payment when due; (c) My action or inaction adversely affects the secured property for this Plan or your rights in the secured property.

If you terminate, without further notice or demand, you can invoke the remedies permitted under the security instrument. I understand, however, that you may at your option, take action short of termination of my credit line account and acceleration of my outstanding balance including but not limited to suspension of my right to obtain further loan advances or reduction of my credit limit. I agree, upon termination and acceleration, to pay the entire unpaid balance of my credit line plus all **FINANCE CHARGES** and other amounts due under this Agreement.

Suspension or Reduction of Future Advances: *For All Borrowers:* You may suspend my right to obtain further advances under this Plan or reduce my credit limit if one or more of the following events occur: (a) The value of the secured property declines significantly below its appraised value for purposes of this Plan; (b) You reasonably believe that I will not be able to meet my payment obligations, due to a material change in my financial circumstances; (c) I am in default of a material obligation on this Plan or the security instrument; (d) Government action prevents you from imposing the **ANNUAL PERCENTAGE RATE** provided for under this Plan or the property securing this Plan is impaired such that the value of the property is less than 120 percent of the credit limit; (e) A regulatory agency notifies you that continued advances would constitute an unsafe and unsound business practice; (f) The maximum **ANNUAL PERCENTAGE RATE** imposed under this Plan has been reached; (g) *For Wisconsin Borrowers Only:* I engage in fraud or material misrepresentation in connection with the Plan; (h) *For Wisconsin Borrowers Only:* upon your receipt of a notice of termination under Wis. Stat. 766.55(2)(b).

You may suspend my right to obtain further advances or reduce my credit line only as long as any of the foregoing events exist. You will notify me if any of the actions available under this paragraph are taken. Notification will be given to me within three business days following the date the action has been taken by you. I agree to notify you, (if action has been taken by you to suspend my right to obtain future advances or reduce my credit line) if I want either privilege reinstated under this Plan.

Voluntary Closing of Account: Any borrower on the Plan may request that the Plan be closed under his or her signature alone, whether with or without the knowledge of the other borrower(s). If the Plan is held jointly with more than one borrower, you shall have no obligation to inform the other borrower(s) of the closure, but you reserve the right to do so. You will not be liable in any way for failure to issue a requested advance to one or more borrowers after closure of the account, nor will you be liable in any way for informing the other borrower(s) of the closure. In the case of conflicting instructions by more than one borrower, you reserve the right to follow one instruction or another as you desire and in your sole discretion, or to take no action at all. Each borrower on the Plan jointly and severally shall remain liable for the outstanding balance under the Plan even if the Plan is closed, and the Security Instrument securing the Plan shall remain in effect for as long as there remains an outstanding balance on the Plan. The Security Instrument will not be released until the balance is paid in full and all obligations are fully satisfied under the terms of the Plan and Security Instrument.

Right of Set-Off & Account Hold: If I default, and upon notice and expiration of any right to cure (if required by Wis. Stat. Sec. 425.105), you may set off any amount of the unpaid balance of my Plan, including interest, costs and expenses, against any savings, checking, certificates or other accounts (except health savings accounts and retirement accounts) now or hereafter held at Credit Union by me and available to pay my obligation under the agreement. You may also place an administrative hold on all my accounts (except health savings accounts and retirement accounts) once you have sent me the notice of default. I will receive notice of any account hold, and such account hold shall apply to the amount of funds needed to satisfy my defaulted debt, and will be removed if and when the default is cured.

Lien on Deposits: I agree that all credit advances I receive under the Plan are secured by all shares and deposits in all joint and individual accounts I have with you now and in the future. I authorize you to apply the balance in these accounts to pay amounts due under this Plan when I am in default. Shares and deposits in an Individual Retirement Account and Health Savings Account and any other account that would lose special tax treatment under state or federal law if given as security are not subject to this security interest.

Change in Terms: You may change the terms of this agreement only in the following circumstances: (a) If this is a variable rate plan, you may change the index and margin if the original index described above becomes unavailable. Any new index will have a historical movement similar to the original, and, together with the new margin, will produce a similar interest rate; (b) You may make changes that I have agreed to in writing; (c) You may make changes that unequivocally benefit me for the remainder of the term of this Plan; (d) You may make changes to insignificant terms of this agreement.

Collection Costs: I promise to pay, subject to any limits under applicable law, all costs of collecting the amount I owe under this agreement. This includes but is not limited to reasonable attorneys fees and court costs as well as legal expenses for any bankruptcy, appeals or post judgment proceedings. Costs of collection include, but are not limited to, repossession fees, appraisals, environmental site assessments, casualty damage insurance coverage, and attorney's fees for any action taken by an attorney in order to collect this loan or preserve or protect Credit Union's rights and remedies, including, without limitation, pre-suit demands for payment, pre-suit mediation or settlement negotiations, investigation and assessment of Credit Union's rights, participation in bankruptcy cases, matters, and proceedings (including, without limitation, filing proofs of claim, pursuing reaffirmation agreements, attending meetings of creditors, and pursuing complaints, motions, and objections that relate in any way to Credit Union's collateral or right to payment), collateral disposition, non-bankruptcy suits and/or administrative actions, and appeals. The principal balance in default shall bear interest at the contract rate. If the Credit Union accepts any payment of my debt under this contract after having demanded payment on the entire unpaid balance due or after the Credit Union has sued me, this won't be considered a waiver or forgiveness of any default in payments or any other default on my part. The Credit Union may delay enforcing any of its rights without losing them. *For Alabama borrowers:* attorney's fees after default shall not exceed 15% of the unpaid debt, or such higher amount as a court may allow. *For Georgia borrowers:* attorney's fees shall not exceed 15% of principal and accrued interest, or such higher amount as a court may allow.

Prepayment: I may prepay all or any amount owing under this Plan without penalty except as set forth in the Early Termination, Lien provision below. Payment in full shall not terminate this agreement or cancel the security instrument securing this Plan unless I specifically request that you do so.

Borrower's Name

MAXIMUS TYRANNUS AVERY

Account Number

Early Termination Fee; Lien: If I close this Plan within 24 months of the date I opened the Plan, I will have to pay an administrative cost of \$250.00 that you incurred on my behalf to establish my account. You may take this fee from my savings or checking account or I may pay this fee in any other manner acceptable to you. **The Early Termination Fee shall be secured by the security instrument securing this Plan, and United Federal Credit Union's Lien against the Property shall not be satisfied, nor the security instrument released, until the Fee is paid in full.** Additionally, the Fee will be added to the payoff amount (including the beneficiary's demand) and must be paid prior to the issuance of any reconveyance.

Assignment: My rights under this Plan belong to me only and may not be assigned. My obligations are, however, binding on my heirs and legal representatives.

Credit Information: I authorize you to release information to others (e.g. credit bureaus, merchants, and other financial institutions) about the status and history of this Plan. I agree to update the financial information I have given you upon request on forms you have prepared. I acknowledge that you may rely on the information I have given you. I also agree that you may obtain credit reports on me at any time, at your option and expense, for any reason, including but not limited to, whether there has been an adverse change in my financial condition. You may require a new appraisal of the property secured by this Plan at any time, including an internal inspection, at your option and expense.

Incorporation of the Security Instrument: Each and every term, covenant and provision contained in the security instrument signed by me on the same date as this agreement is, by this reference, incorporated into this agreement as if fully set forth in this Agreement.

UCC Security Interest: In addition to security interest taken in my home, I understand and agree that you have a purchase-money security interest in all goods purchased under my Plan in accordance with the Uniform Commercial Code.

Transfer of Credit Line: Without prior notice or approval from me, you reserve the right to sell or transfer this Plan to another lender, entity, or person, and to assign your rights under the security instrument.

Transfer of the Security Property: My Security Instrument contains restrictions on my ability to sell, convey, transfer or assign the Property without your prior written consent. If I fail to comply with those restrictions, I may be in default and you may require immediate payment in full, foreclose on the Property, or take any and all action allowed under my Plan, the Security Instrument, or applicable law. You will, however, follow all applicable state laws and will provide me with any notices required.

THE FOLLOWING NOTICE IS REQUIRED BY CALIFORNIA LAW: TRANSFER OF THE PROPERTY. Subject to applicable law, Credit Union shall have the right to accelerate, that is, to demand immediate payment in full of all sums secured by my Mortgage or Deed of Trust, if Borrower, without the written consent of Credit Union, sells or transfers all or part of the Property or any rights in the Property.

Notices: All notices will be sent to my address as shown in my Plan application. Notices will be mailed to me at a different address if I give you written notice of different address.

Responsibility of Borrower: I agree to promptly notify you of any changes in my name, address or employment. I further agree to provide you on your request, updated information about my finances and matters affecting the title or value of the secured property. I promise not to submit false or misleading information.

Tax Consequences: I understand that you do not make any representations or warranties concerning the tax consequences of my establishing or using this Plan, including the deductibility of interest. I should consult with my own tax advisor regarding the deductibility of interest and charges under this Plan.

Delay in Enforcement: You may delay enforcing any right under this agreement without losing that right or any other right.

Severability: If any term, provision or section of this agreement is held void or unenforceable, the remainder of the terms of the Agreement will remain effective.

Effective Date: I agree that I may not receive any advances under this Plan until after the "Effective Date" of this agreement. The Effective Date is a date, after the date I sign this agreement, when the agreement is accepted by you following the expiration of the right to cancel, the perfection of the security agreement, the receipt of all required certificates of noncancellation, and the meeting of all other conditions required by you.

State Notices:

Notice to Alaska Borrowers: To the extent set forth in this Note and any Rider hereto (a) I am personally obligated and fully liable for all amounts due under this Note, and (b) you have the right to sue on this Note and obtain a personal judgment against me for satisfaction of all amounts due under this Note either before or after a judicial foreclosure, under Alaska Statutes sections 09.45.170 through 09.45.220, of the Security Instrument which secured this Note.

NOTICE TO CALIFORNIA RESIDENTS: By signing this Plan, I specifically agree that the Credit Union may access the records of the California Department of Motor Vehicles from time to time to obtain my current mailing address, and by so agreeing, I am specifically waiving my rights under sections 1808.21 and 1808.22 of the California Vehicle Code.

Notice to Florida Borrowers: The state documentary tax due on this Note has been paid on the Security Instrument securing this indebtedness.

Notice to Georgia Borrowers: This is an instrument under seal.

THE FOLLOWING NOTICE IS REQUIRED BY NEW YORK LAW: Default in the payment of this loan agreement may result in the loss of the property securing the loan. Under federal law, Borrower may have the right to cancel this agreement. If Borrower has this right, the creditor is required to provide Borrower with a separate written note specifying the circumstances and times under which Borrower can exercise this right.

Notice to Utah Borrowers: This written agreement is a final expression of the agreement between Borrower and Credit Union. This written agreement may not be contradicted by evidence of any alleged oral agreement.

Notice to New Hampshire Borrowers: Pursuant to New Hampshire Revised Statutes Annotated section 361-C:2, in the event that I shall prevail in (a) any action, suit or proceeding, brought by you, or (b) an action brought by me, reasonable attorneys fees shall be awarded to me. Further, if I shall successfully assert a partial defense of set-off, recoupment or counterclaim to an action brought by you, a court may withhold from you the entire amount or such portion of its attorneys' fees as the court shall consider equitable.

For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect me (borrower) and you (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it.

For Vermont Residents: NOTICE TO CO-BORROWER: YOUR SIGNATURE ON THIS LOAN MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THE LOAN. IF THE BORROWER DOES NOT PAY, THE LENDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.

Governing Law: This agreement shall be construed and enforced in accordance with the laws of the State of Michigan.

8300 11-2012

2019-11899

Certificate of Record
FORT SMITH DISTRICT
SEBASTIAN COUNTY, ARKANSAS
SHARON BROOKS, CO CLERK & RECORDER
06/07/2019 11:27:29 AM

RECORDING FEE

60.00

Pages: 10

PREPARED BY: Talitha Crile

United Federal Credit Union
2807 S. State Street
St. Joseph, MI 49085

Reference #:

SPACE ABOVE THIS LINE FOR RECORDER'S USE



United Federal Credit Union
2807 S. State Street
St. Joseph, MI 49085
(888) 982-1400



REVOLVING CREDIT MORTGAGE

THIS MORTGAGE is made on 21st day of May, 2019 by the Mortgagor,
MAXIMUS TYRANNUS AVERY FKA MAX RODRIGUEZ, UNMARRIED MAN

(hereinafter referred to individually or collectively, as the context may require, as "Borrower") to UNITED FEDERAL CREDIT UNION, a corporation organized and existing under the laws of the United States, its successors and assigns, whose address is 2807 S. State Street, St. Joseph, MI 49085 ("Lender").

Borrower does hereby mortgage, grant, and convey to Lender with the power of sale the following described property (or the leasehold estate if this Mortgage is on a leasehold) located in the County of Sebastian State of Arkansas:

See Attached Exhibit A Legal Description

which has the street address of 304 14th St, Fort Smith AR 72901

together with (i) all improvements, buildings or structures of any nature whatsoever, now or hereafter erected on the property, (ii) all fixtures, including all plumbing, heating, air conditioning and ventilating equipment, now or hereafter located under, on or above the property, (iii) all rights, privileges, rents, royalties, mineral, oil and gas rights and profits, tenements, hereditaments, rights-of-way, easements, appendages, appurtenances, or riparian rights now or hereafter belonging or in any way appertaining to the property, and (iv) all of Mortgagor's right, title and interest in and to any streets, rights-of-way, alleys or strips of land now or hereafter adjoining thereto, including any replacements and additions to any of the foregoing. All of the foregoing is collectively referred to in this Mortgage as the "Property."

Complete if Applicable:

The Property is part of a condominium project known as _____.

The Property includes Borrower's unit and all Borrower's rights in the common elements of the condominium project.

The Property is in a Planned Unit Development known as _____.

This Mortgage is given to secure to Lender the following:

1. The repayment of all indebtedness, including principal, finance charges at a rate which may vary from time to time, taxes, special assessments, insurance, late fees, and any other charges and collection costs due and to become due ("Debt") under the terms and conditions of the HomeEquity Open-end Credit Plan, Truth in Lending Disclosure Statement and Credit Agreement made by Borrower and dated the same day as this Mortgage, including any and all modifications, amendments, extensions and renewals thereof ("Agreement").

EXHIBIT

D

tabbies



MORTGAGE (continued)

2. The payment of all other sums advanced in accordance therewith to protect the Property, with finance charges thereon at a rate which may vary as described in the Agreement;

3. The performance of Borrower's covenants and agreements under this Mortgage and under the Agreement. Lender has agreed to make advances to Borrower under the terms of the Agreement, which advances will be of a revolving nature and may be made, repaid, and remade from time to time. Borrower and Lender contemplate a series of advances to be secured by this Mortgage. The total outstanding principal balance (excluding finance charges, fees, taxes, and other additional amounts) owing at any one time under the Agreement shall not exceed **One Hundred Forty One Thousand Dollars And No Cents**

(**\$141,000.00**) ("Maximum Principal Balance" or "Credit Limit"). This mortgage is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting taxes and assessments levied on the Property not yet due and payable, to the extent of the maximum amount secured hereby. The unpaid balance of the revolving credit loan may at certain times be zero. A zero balance does not terminate the revolving credit loan or Lender's obligation to advance funds to Borrower. Therefore, the lien of this Mortgage will remain in full force and effect notwithstanding a zero balance. On the Maturity Date, or Final Payment Date, 10 years from the date of this Mortgage, the entire Debt under the Agreement, if not paid earlier, is due and payable.

A. REPRESENTATIONS

Borrower hereby represents to Lender as follows:

1. **Validity of Security Documents.** (a) The execution, delivery and performance by Borrower of the Agreement, this Mortgage and all other documents and instruments now or hereafter, furnished to Borrower to evidence or secure payment of the Debt (the "Security Documents"), and the borrowing evidenced by the Agreement, will not violate any provision of law, any order of any court or other agency of government, or any mortgage, indenture, trust agreement or other instrument to which Borrower is a party or by which Borrower or any of Borrower's property is bound, or be in conflict with, or will result in a material breach of or constitute (with due notice and/or lapse of time) a default under any such mortgage, indenture, trust agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Borrower's property or assets, except as contemplated by the provisions of the Security Documents; and

(b) The Security Documents, as and when executed and delivered by Borrower, constitute the legal, valid and binding obligations of Borrower in accordance with their respective terms subject to applicable bankruptcy and insolvency laws.

2. **Other Information.** All other information, reports, papers and data given to Lender, or to Lender's legal counsel, with respect to Borrower, the Property, or the loan evidenced by the Security Documents are accurate and correct in all material respects and complete insofar as completeness may be necessary to give Lender a true and accurate knowledge of the subject matter.

3. **Title.** Borrower has good and marketable title in fee simple to the Property free and clear of all encumbrances except for encumbrances of record as of the date of this Mortgage. Borrower will preserve its title to the Property and will forever covenant and defend the same to Lender and will forever covenant and defend the validity and priority of the lien of this Mortgage.

4. **Litigation.** There is not now pending or threatened against or affecting the Property, nor, to the knowledge of Borrower, is there contemplated, any action, suit or proceeding at law or in equity or by or before any administrative agency which, if adversely determined, would impair or adversely affect the value or operation of the Property.

5. **Environmental Indemnity.** Borrower shall indemnify and hold Lender harmless against and from any and all loss, cost, damage, claim or expense (including, without limitation, any and all attorney's fees or expenses of litigation) incurred or suffered by Lender on account of (i) the location on the Property of any chemicals, material, substance, or contaminant (including, without limitation, oil, petroleum products, asbestos, urea, formaldehyde, foam insulation, hazardous waste and/or toxic waste), the presence or storage of which or the exposure to which is prohibited, limited, or regulated by any federal, state, county, regional, or local governmental unit, agency or authority, or which presence, storage, or exposure may pose a hazard to health and safety or (ii) the failure by Borrower or any prior owner or occupant of the Property to comply with any applicable federal, state, county, regional or local environmental laws, regulations, and court or administrative orders.

MORTGAGE (continued)

B. ADDITIONAL COVENANTS

Until the entire Debt shall have been paid in full, Borrower covenants and agrees as follows:

6. Payment of Indebtedness. Borrower shall timely pay and discharge the Debt or any part thereof in accordance with terms and conditions of the Agreement, this Mortgage, and the Security Documents.

7. Funds for Taxes and Insurance. Subject to applicable law, Lender, at Lender's option, may require Borrower to pay to Lender on the day monthly payments of principal and finance charges are payable under the Agreement, until all sums secured by this Mortgage are paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments if any) which may attain priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance and flood insurance, if applicable, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional Lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debts to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 23 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

8. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Agreement and paragraphs 6 and 7 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 7 hereof, second, (in the order Lender chooses) to any finance charges, other charges and collection costs owing, and third, to the principal balance under the Agreement.

9. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," floods, and such other hazards as Lender may require and in such amounts and for such periods as Lender may require. Unless Lender in writing requires otherwise, the policy shall provide insurance on a replacement cost basis in an amount not less than that necessary to comply with any coinsurance percentage stipulated in the hazard insurance policy, and the amount of coverage shall be no less than the Maximum Principal Balance plus the full amount of any lien which has priority over this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

MORTGAGE (continued)

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. All insurance proceeds are hereby assigned to Lender and shall be paid to Lender to the extent of all sums secured by this Mortgage, subject to the terms of any mortgage, deed of trust or security agreement with a lien which has priority over this Mortgage. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restore or repair the Property, if it is economically feasible to do so.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

10. Repair. Mortgagor shall keep the Property in good order and condition and make all necessary or appropriate repairs, replacements and renewals thereof. Mortgagor agrees not to permit or allow any waste of the Property or make or permit to be made any material alterations or additions to the Property that would have the effect of diminishing the value thereof or that will in any way increase the risk of any fire or hazard arising out of the construction or operation thereof. Mortgagor agrees not to alter or remove any structure or fixture in the Property without Mortgagee's prior written consent. Mortgagor shall prevent any act or thing which might adversely effect or impair the value or usefulness of the Property. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration of covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and the constituent documents.

11. Restoration Following Uninsured Casualty. In the event of the happening of any casualty, of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, not covered by any Insurance Policy resulting in damage to or destruction of the Property, Borrower shall give notice thereof to Lender and Borrower shall promptly at Borrower's sole cost and expense, commence and diligently continue to restore, repair, replace, rebuild or alter the damaged or destroyed Property as nearly as possible to its value, condition and character immediately prior to such damage or destruction.

12. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. Any amounts disbursed by Lender pursuant to this paragraph, with finance charges thereon, at the rate provided in the Agreement, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder. Any action taken by Lender under this Paragraph shall not cure any breach Borrower may have committed of any covenant or agreement under this Mortgage. Borrower agrees that Lender is subrogated to all of the rights and remedies of any prior lienor, to the extent of any payment by Lender to such lienor.

13. Leaseholds; Assignment of Rents. If this Mortgage is on a leasehold, Borrower shall comply with all provisions of any lease. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

14. Rehabilitation Loan Agreement. Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower may enter into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

MORTGAGE (continued)

15. Compliance with Laws. Borrower shall promptly and faithfully comply with, conform to and obey or contest by appropriate proceedings in good faith all present, and use its best efforts as to future laws, ordinances, rules, regulations and requirements of every duly constituted governmental authority or agency and of every board of fire underwriters having jurisdiction, or similar body exercising functions, which may be applicable to it or to the Property or to the use and manner of use, occupancy, possession, operation, maintenance or reconstruction of the Property, whether or not such law, ordinance, rule, order, regulation or requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Property.

16. Performance of Other Agreements. Borrower shall duly and punctually perform all covenants and agreements expressed as binding upon it under any agreement of any nature whatsoever that involves the Property including, without limitation, all rules and regulations of a homeowners or condominium association if the Property is part of a condominium, cooperative, phased development or other homeowners association.

17. Inspection. Borrower shall permit Lender, and parties designated by Lender, at all reasonable times, to inspect the Property, provided that Lender shall give Borrower notice prior to such inspection, specifying reasonable cause therefor related to Lender's interest in the Property.

18. Hold Harmless. Borrower shall, at Borrower's sole cost and expense, save, indemnify and hold the Lender, its officers, directors, employees and agents, harmless from any injury, claim, demand, suit, judgment, execution, liability, debt, damage or penalty (hereinafter collectively referred to as "Claims") affecting the Property, or the value of any of the Security Documents, arising out of, resulting from, or alleged to arise out of or result from, any action or inaction by Borrower, except as may be the direct result of Lender's negligence. Borrower shall pay all expenses incurred by the Lender in defending itself with regard to any and all Claims. These expenses shall include all out-of-pocket expenses, such as attorneys' and experts' fees, and shall also include the reasonable value of any services rendered by any employee of Lender.

19. Expenses. Borrower shall pay or reimburse Lender for all reasonable costs and expenses paid or incurred by Lender in any action, proceeding or dispute of any kind in which Lender is made a party or appears as party plaintiff or defendant, involving any of the Security Documents, Borrower, or the Property, including, without limitation, to the foreclosure or other enforcement of this Mortgage, any condemnation involving the Property, any action to protect the security hereof, or any proceeding in probate or bankruptcy, and any such amounts paid or incurred by Borrower shall be treated as Advances in accordance with Paragraph 18 thereof.

20. Advances. In the event Borrower fails to perform any act required of Borrower by any of the Security Documents or to pay when due any amount required to be paid by any of the Security Documents, Lender may, but shall not be obligated to, make such payment or perform such act. Such payment or performance by Lender shall not have the effect of curing any Event of Default or of extending the time for making any payment due hereunder or under the Agreement. All amounts so paid by Lender, together with all expenses incurred in connection therewith, shall be deemed advances ("Advances") under this Mortgage and the Agreement, shall be immediately due and payable and shall be added to the Debt. Advances shall bear interest from the date expended at the rate specified in the Agreement and shall be secured by this Mortgage as though originally a part of the principal amount of the Debt.

21. Use Violations. Borrower shall not use the Property or allow the same to be used or occupied for any unlawful purpose or in violation of any permit or certificate, or any law, ordinance, regulation or restrictive covenant, covering or affecting the use or occupancy thereof, or suffer any act to be done or any condition to exist on the Property or any article to be brought thereon, that may be dangerous, unless safeguarded as required by law, or that may, in law, constitute a nuisance, public or private.

22. Other Liens. Borrower shall not, without the prior written consent of Lender, create or permit to be created or to remain, any mortgage, pledge, lien, encumbrance or charge on, security interest in, or conditional sale of or other title retention agreement on (whether prior or subordinate to the liens of the Security Documents) the Property or income therefrom other than the Security Documents ("Liens"). In the event Borrower fails to promptly discharge any such Liens, Lender may, but shall not be obligated to, do so and any amounts paid or incurred by Lender (including reasonable attorney's fees in connection therewith), shall be treated as Advances in accordance with Paragraph 20 hereof.

23. Transfer of the Property. Borrower shall not sell, convey, transfer or assign the Property or any beneficial interest therein or any part thereof, whether by operation of law or otherwise, without the prior notice and the prior written consent of Lender. In the event of such a sale, conveyance, transfer or assignment, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by applicable law as of the date of this Mortgage.

MORTGAGE (continued)

If Lender exercises Lender's option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

Even if Borrower transfers the Property, Borrower will continue to be obligated under the Agreement and this Mortgage unless Lender releases Borrower in writing. As a condition to Lender's consent to any proposed transfer or as a condition to the release of Borrower, Lender may require that the person to whom the Property is transferred sign an assumption agreement satisfactory to Lender and Lender may impose an assumption fee. The assumption agreement will not entitle the person signing it to receive advances under the Agreement.

24. Default; Termination and Acceleration; Remedies. If Borrower breaches any covenant or agreement in this Mortgage, Lender shall give notice to Borrower prior to acceleration. The Notice of Default and Intention to Sell shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may invoke any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Mortgage, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give to Borrower and all other persons required by applicable law, notice of sale as required by applicable law. Lender shall give public notice of sale by (1) publishing the notice, once a week for four consecutive weeks, in a newspaper having general circulation in the county in which any part of the Property is located or in a newspaper of general statewide daily publication. The final publication date shall be no more than ten (10) days prior to the sale; and (2) by posting, or causing to be posted, notice at the county courthouse where foreclosure sales are customarily advertised and conducted; and (3) by employing a third-party internet foreclosure sale notice information service provider. Lender shall cause the Property to be sold at the time and place and under the terms designated in the notice of sale in accordance with applicable law. Lender may postpone sale of all or any parcel of the Property by advertising in accordance with applicable law. Lender or its designee may purchase the Property at any sale.

It is understood and agreed to by Borrower that this Mortgage is subject to the foreclosure procedures of the Arkansas Statutory Foreclosure Law, Act 53 of 1987, as amended from time to time (the "Act"), for Borrower's breach of any covenant or agreement in this Mortgage. In furtherance and not in limitation of the provisions of Paragraph 33, any forbearance by Lender in exercising any right or remedy under the Act shall not be a waiver of or preclude acceleration and the exercise of any right or remedy under the Act, or at the option of Lender, use of judicial foreclosure proceedings.

25. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the earlier of (i) sale of the Property pursuant to any power of sale contained in this Mortgage or (ii) entry of a judgment enforcing this Mortgage. Those conditions are that Borrower: (a) pays Lender all sums which would then be due under this Mortgage and the Agreement had no acceleration occurred; (b) cures all other events of this Mortgage and the Agreement; (c) pays all reasonable expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Mortgage. Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unchanged. This right to reinstate shall extend to one hour prior to the commencement of bidding at a sheriff's sale or other sale pursuant to this Mortgage. Upon reinstatement by Borrower, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under the Default paragraph.

26. Condemnation. In the event of any condemnation or other taking of any part or all of the Property, or for conveyance in lieu of condemnation, all awards or other compensation for such taking shall be paid to Lender for application on the Debt, provided that no such application shall result in additional interest or have the effect of curing any event of default or extending the time for making any payment due hereunder or under the Agreement.

MORTGAGE (continued)

27. Prior Liens and Obligations. If this Mortgage is subject to a prior mortgage, deed of trust or other security interest, the lien of which is superior to the lien of this Mortgage, Borrower agrees to pay each installment of the debt secured by the prior mortgage when it is due, whether by acceleration or otherwise. Borrower also agrees to pay and perform all other obligations of the Lender under the prior mortgage. Borrower agrees to provide Lender with proof of payment or performance under the prior mortgage whenever Lender requests it. If Borrower fails to pay any installment of principal or interest when it is due or if Borrower fails to pay or perform any other obligation under the prior mortgage; Lender has the right, but not the obligation, to pay the installment or to pay or perform such other obligation on Borrower's behalf. Any amounts Lender spends in performing Borrower's obligations will become part of the Debt, payable by Borrower on Lender's demand, and will bear interest at the same rate as the Debt bears from time to time. Lender may rely upon any written notice of default under the prior mortgage that Lender receives from the holder of the prior mortgage even though Borrower questions or denies the existence, extent, or nature of the default. Borrower shall not renew, extend or modify the prior mortgage, and shall not increase the debt secured by the prior mortgage, without Lender's prior written consent.

28. Survival of Warranties and Covenants. The warranties, representations, covenants and agreements set forth in the Security Documents shall survive the making of the loan and the execution and delivery of the Agreement, and shall continue in full force and effect until the Debt shall have been paid in full.

29. Further Assurances. Borrower shall, upon the reasonable request of Lender, execute, acknowledge and deliver such further instruments (including, without limitation, a declaration of no set-off) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of the Security Documents and to subject to the liens thereof any property intended by the terms thereof, to be covered thereby and any renewals, additions, substitutions, replacements or betterments thereto.

30. Recording and Filing. Borrower shall cooperate with Lender to cause those Security Documents for which constructive notice must be given to protect Lender (and all supplements thereto) to be at all times recorded and filed, and re-recorded and re-filed, in such manner and in such places as Lender shall reasonably request, and Borrower shall pay all such recording, filing, re-recording, re-filing taxes, fees and other charges to the maximum extent permitted by the laws of the State in which the recording or filing takes place.

31. Loan Expenses. Borrower shall pay all applicable costs, expenses and fees set forth in the Agreement.

32. No Representation by Lender. By accepting or approving anything required to be observed, performed or fulfilled, or to be given to Lender, pursuant to this Mortgage, including (but not limited to any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey or appraisal), Lender shall not be deemed to have arranged or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or representation with respect thereto by Lender.

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

34. Incorporation of Agreement. Each and every term, covenant and provision contained in the Agreement is, by this reference, incorporated into this Mortgage as if fully set forth herein.

35. Waiver of Homestead; Dower; Curtesy. In accordance with Arkansas law, Borrower hereby releases and waives all rights under and by virtue of the Arkansas homestead exemption laws, and hereby waives all rights to dower or curtesy.

36. Notice. Except for any notice required under applicable law to be given in another manner, any notice provided for in this Mortgage shall be in writing and shall be deemed properly delivered three days after deposit thereof in any main or branch United States Post Office, certified or first class United States Mail, postage prepaid, addressed to each party's address as listed on page 1, or at such other address as may be designated by notice as provided herein.

37. Covenants Running With the Land. All covenants contained in this Mortgage shall run with the Land.

MORTGAGE (continued)

38. Successors and Assigns. All of the terms of this Mortgage shall apply to and be binding upon, and inure to the benefit of, the successors and assigns of Mortgagor and Mortgagee, respectively, and all persons claiming under or through them provided that nothing in this Paragraph shall be construed to permit a transfer, conveyance or assignment other than as expressly permitted by this Mortgage.

39. Multiple Borrower. Borrower's covenants and agreements hereunder shall be joint, several and primary. Any Mortgagor who co-signs this Mortgage but does not execute the Agreement: (a) is co-signing this Mortgage only to mortgage, grant and convey the Property; (b) is not personally obligated to pay the Debt; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forebear or make any accommodations with regard to the terms of this Mortgage or the Agreement without that Borrower's consent.

40. Governing Law; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Agreement are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

41. Modification. This Mortgage may not be changed, waived, discharged or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge or termination is asserted.

42. Release. This Mortgage secures a revolving line of credit and advances may be made, repaid, and remade from time to time, under the terms of the Agreement. When according to the terms of the Agreement, no more advances will be made, and Borrower has paid all sums secured by this Mortgage (or earlier if required by applicable law), Lender shall request Trustee to release this Mortgage, and shall surrender the Agreement to Trustee, and Trustee shall release this Mortgage. To the extent permitted by law, Lender may charge Borrower a fee for such discharge and require Borrower to pay costs of recordation, if any.

43. Strict Performance. Any failure by Lender to insist upon strict performance by Borrower of any of the terms and provisions of this Mortgage or any of the Security Documents shall not be deemed to be a waiver of any of the terms or provisions of this Mortgage or any of the Security Documents, and Lender shall have the right thereafter to insist upon strict performance by Borrower of any and all of them.

44. Borrower's Copy. Borrower shall be furnished a copy of the Agreement and of this Mortgage at the time of execution or after recordation hereof.

45. Headings. The headings and the section and paragraph entitlements hereof are inserted for convenience of reference only, and shall in no way alter or modify the text of such paragraphs, sections and subsections.

46. Riders. If one or more riders are attached to and made a part of this Mortgage, the covenants and agreements for each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage.

47. Waiver of Statutes of Limitation. To the extent permitted by law, Borrower hereby waives statutes of limitation as a defense to any demand or obligation secured by this Mortgage.

48. Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

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

MORTGAGE (continued)

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE
UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

SIGNATURES AND ACKNOWLEDGEMENT

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it, except that any Borrower who has not signed the Loan Agreement shall not be personally obligated under the Debt contemplated in this Mortgage.

X Maximus T Avery

Borrower **MAXIMUS TYRANNUS AVERY**

X

Borrower

X

Borrower

X

Borrower

X

Borrower

X

Borrower

I hereby certify that the precise address of the Lender (Mortgagee) is: **2807 South State Street St. Joseph, MI 49085**

On behalf of the Lender. By: **Talitha Crile**

Title: **Equity Processor**

STATE OF Arkansas)

) AS

COUNTY OF Sebastian)

On this day before me, the undersigned Notary Public, personally appeared
MAXIMUS TYRANNUS AVERY

To me known to be the individual(s) described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 21st day of May 2019.

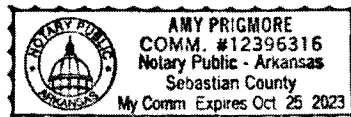
By Amy Prigmore residing at 5800 Rogers Ave, Fort Smith AR 72903

Notary Public in and for the State of Arkansas

My commission expires 10/25/2023

Amy Prigmore
Notary Public

This Mortgage prepared by:
United Federal Credit Union
2807 South State Street
St. Joseph, MI 49085



LEGAL DESCRIPTION

Lots 11 and 12 and the North Half of Lot 10, Block I, Fitzgerald, an Addition to the City of Fort Smith, Sebastian County, Arkansas.

AND BEING the same property conveyed to Max Rodriguez from Linda Spicer, as Personal Representative of the Estate of David Spicer, Deceased by Fiduciary Deed dated December 11, 2017 and recorded December 13, 2017 in Instrument No. 2017-26973.

Tax Parcel No. 1276300120020900