

IN THE CIRCUIT COURT OF PULASKI COUNTY, ARKANSAS
CIVIL DIVISION

A. HEATH ABSHURE,
ARKANSAS SECURITIES COMMISSIONER

3RD DIVISION

PLAINTIFF

FILED 06/14/11 10:45:16
Larry Crane Pulaski Circuit Clerk

v.

No. 60CV2011 2943

TOM D. FLORES

DEFENDANT

COMPLAINT FOR PERMANENT INJUNCTION TO ENFORCE ORDER, CIVIL FINE,
AND FOR ANCILLARY RELIEF

Comes now the Plaintiff, A. Heath Abshure, Arkansas Securities Commissioner, by and through counsel, Scott S. Freydl, Staff Attorney, and for his complaint alleges the following:

PARTIES

1. A. Heath Abshure (Commissioner) is the Arkansas Securities Commissioner, duly appointed in accordance with Ark. Code Ann. § 23-42-201(a). He is charged with the administration of the Arkansas Fair Mortgage Lending Act (FMLA), codified at Ark. Code Ann. §§ 23-39-501 through 23-39-518.
2. Tom D. Flores ("Flores") is an individual living in Fayetteville, Arkansas. Flores has never been licensed by the Arkansas Securities Department ("Department") as a mortgage broker or loan officer.

JURISDICTION AND VENUE

3. This is an action brought pursuant to the FMLA, specifically Ark. Code Ann. §§ 23-39-514(d)(3) and 23-39-514(l), which permits the Commissioner to seek the assessment of a civil penalty, injunctive relief to enforce orders issued pursuant to the FMLA, and relief ancillary to

injunctive relief as may be appropriate in the public interest, including, but not limited to obtaining a fine against the Defendant in the Circuit Court of Pulaski County, Arkansas.

4. This Court has jurisdiction pursuant to Ark. Code Ann. §§ 23-39-514(d)(3)(B) and 23-39-514(l)(1)(B).

5. Venue is proper in this Court pursuant to Ark. Code Ann. §§ 23-39-514(d)(3)(B) and 23-39-514(l)(1)(B).

FACTUAL ALLEGATIONS

6. On or about January 11, 2010, Arkansas resident one (“AR1”) received a solicitation letter and “Mortgage Evaluation Form” from Flores. A copy of Flores’ solicitation letter and form are attached hereto as “Exhibit 1” and “Exhibit 2”. In his letter Flores offers to stop or suspend the sale of AR1’s home and present several options to AR1 and AR1’s mortgage company to give AR1 more time and get AR1 back on AR1’s feet. In addition, the Mortgage Evaluation Form provided by Flores required AR1 to provide personal financial information concerning AR1’s mortgage loan and income. After AR1 received Flores’ letter, AR1 contacted Flores by telephone. During the telephone conversation between AR1 and Flores, Flores stated that he could help AR1 with AR1’s foreclosure or mortgage problem for a fee of \$800.00. AR1 ultimately decided not to hire Flores.

7. Flores has admitted to the staff of the Department that he sent solicitation letters, similar to letter sent to AR1, offering mortgage loan modification services to 51 other Arkansas residents. A copy of this letter is attached hereto as “Exhibit 3”. In addition, Flores admitted to the staff of the Department that he uses several other forms in his loan modification activities in Arkansas. The first form is titled “Letter of Authorization”. A copy of this form is attached hereto as “Exhibit 4”. This form authorizes the release of information about the Arkansas residents’

mortgage loan to Flores. The second form is titled "Disclosure Regarding Your Real Estate". A copy of this form is attached hereto as "Exhibit 5". The disclosure form states that the forbearance of the client's property will be made possible, because Flores may be able to negotiate with the lender/lenders to have them take less than what is owed on the reinstatement amount due on the client's property. The form refers to this as a "Loan Modification" or repayment plan. Finally, the form states that there is a one-time non-refundable fee of \$800.00 due at the time of services. The third form used by Flores in Arkansas is titled "Homeowners Loan Mod Check List". A copy of this form is attached hereto as "Exhibit 6". This form requires the client to provide Flores with detailed financial information concerning the client's income and monthly expenses. The form also states that if the client is contacted by the mortgage company, then the client is to tell them to call Flores, because the client has Flores to work on the client's behalf.

8. On June 2, 2010, the Commissioner entered a Cease and Desist Order against Flores, concerning the violations of the FMLA detailed above. A copy of this Cease and Desist Order is attached hereto as "Exhibit 7". Further, a copy of this Cease and Desist Order was served on the Defendant's attorney by certified, return receipt United States mail on June 4, 2010. The Defendant did not request that the Commissioner schedule a hearing concerning said Cease and Desist Order as is permitted by Ark. Code Ann. § 23-39-514(d)(2).

9. The aforementioned Cease and Desist Order specifically directed Flores to immediately cease and desist from all mortgage loan activity in Arkansas until such time as he obtained the proper license under the FMLA.

10. On June 28, 2010, the Defendant contacted the Department by e-mail with an inquiry about what license was needed to engage in mortgage loan modifications activities.

11. Since the entry of the Cease and Desist Order, Flores has not applied for or been granted any license under the FMLA by the Department.

12. Another Arkansas resident has provided the staff of the Department with evidence that, in violation of the Cease and Desist Order, the Defendant is continuing to contact Arkansas residents in an effort to solicit mortgage loan modification applications. Sometime in the fall of 2010, Arkansas resident two ("AR2") received a solicitation letter from Flores. AR2 contacted Flores by telephone. During the telephone conversation between Flores and AR2, Flores stated that he could get AR2's mortgage loan modified. After their telephone conversation, AR2 received an e-mail from Flores with paperwork attached for AR2 to complete. The paperwork AR2 received was the same as Exhibits 4, 5, and 6. A copy of AR2's "Disclosure Regarding Your Real Estate" form is attached as "Exhibit 8". AR2 completed the mortgage loan modification paperwork and returned it to Flores. In addition, Flores demanded an \$800.00 advance fee from AR2. AR2 paid this advance fee in two installments of \$400.00 each. As later instructed by Flores, AR2 sent Flores an additional amount of \$952.00 to be applied towards AR2's mortgage loan. Unfortunately, AR2 has discovered that this amount was not applied towards AR2's mortgage loan. Recently, AR2 received notice from the bank holding AR2's mortgage loan that on May 16, 2011, the bank had foreclosed on AR2's residence. During a recent telephone call, AR2 demanded the return of all amounts AR2 had paid to Flores. Also during this telephone call, Flores admitted to AR2 that he was the subject of the Cease and Desist Order entered by the Commissioner. In addition, Flores admitted to AR2 that he knew he was continuing to engage in mortgage loan modification activity in violation of the Commissioner's Cease and Desist Order. Although Flores has not successfully modified AR2's mortgage loan,

Flores has failed and refused to return any of the advance fee in the amount of \$800.00 or the mortgage loan payment in the amount of \$952.00 to AR2.

VIOLATIONS AND RELIEF REQUESTED

14. The Cease and Desist Order is authorized under Ark. Code Ann. § 23-39-514(d).

15. The Plaintiff re-alleges and incorporates by reference all factual allegations set forth in ¶¶ 6-12.

16. The facts set out in ¶¶ 6, 7, and 12 of this complaint show that the Defendant has violated the FMLA as codified at Ark. Code Ann. § 23-39-503(a) on numerous occasions. Ark. Code Ann. § 23-39-503(a) states that it is unlawful for any person to act as a loan officer without first obtaining a license from the Commissioner. In addition, Rule 5003-3(c)(1) of the Rules of the Fair Mortgage Lending Act states that a person offering or negotiating loan modification services is, at least at a minimum, indirectly acting as a loan officer. Therefore, any person who directly or indirectly solicits, accepts, or negotiates; or offers or attempts to solicit, accept, or negotiate loan modifications for a borrower; and receives compensation or gain is required to be licensed as a loan officer. In violation of Ark. Code Ann. § 23-39-503(a), Flores acted as a mortgage loan officer when he contacted Arkansas residents by United States mail, e-mail, and telephone to solicit, offer and accept mortgage loan modification applications and collect advance fees without first obtaining a license from the Commissioner. Ark. Code Ann. § 23-39-514(l) allows the Commissioner to apply to this Court for a permanent injunction and a fine in an amount of not more than ten thousand dollars (\$10,000.00) for each violation of the FMLA. Further, the Commissioner is seeking a permanent injunction and such fine from this Court against the Defendant for each violation of the FMLA as detailed in ¶¶ 6, 7, and 12.

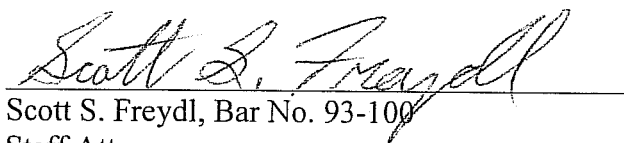
17. The facts set out in ¶ 12 of this complaint show that the Defendant has violated the FMLA as codified at Ark. Code Ann. § 23-39-513(4). Ark. Code Ann. § 23-39-513(4) states that it is unlawful for any person other than an exempt person to pay, receive, or collect, in whole or in part, any commission, fee, or other compensation for brokering a mortgage loan in violation of this subchapter, including a mortgage loan brokered or solicited by any unlicensed person other than an exempt person. In violation of Ark. Code Ann. § 23-39-513(4), Flores collected an advance fee from AR2 while not being properly licensed as a mortgage loan officer in violation of Ark. Code Ann. § 23-39-503(a). Ark. Code Ann. § 23-39-514(l) allows the Commissioner to apply to this Court for a temporary or permanent injunction and a fine in an amount of not more than ten thousand dollars (\$10,000.00) for each violation of the FMLA. Further, the Commissioner is seeking a permanent injunction and such fine from this Court against the Defendant for each violation of the FMLA as detailed in ¶ 12.

18. The facts set out in ¶¶ 8-12 of this complaint show that the Defendant has willfully and wantonly failed to comply with the Cease and Desist Order entered by the Commissioner on June 2, 2010. Ark. Code Ann. § 23-39-514(d)(3) states that a person shall be subject to a civil penalty of up to twenty-five thousand dollars (\$25,000.00) for each violation of the Commissioner's cease and desist order, after the entry of the order, if no appeal is requested by the person subject to the cease and desist order, and the person continues to engage in the prohibited action in violation of the Commissioner's order. In violation of the Commissioner's Cease and Desist Order the Defendant continues to solicit mortgage loan modification applications from residents of the State of Arkansas without first being licensed by the Department.

19. The facts set out in ¶ 12 of this complaint show that the Defendant has failed and refused to return the advance fee or the mortgage payment paid by AR2. Ark. Code Ann. § 23-39-514(1)(4) states that the commissioner may also seek and upon proper showing the appropriate court shall grant any other ancillary relief that may be in the public interest, including, ... (D) Disgorgement; ... and (F) Any other relief as may be appropriate in the public interest. The Defendant should be ordered to disgorge and return the advance fee in the amount of \$800.00 and the mortgage payment in the amount of \$952.00 collected by Flores from AR2.

WHEREFORE, the Plaintiff, the Commissioner, respectfully requests that this Court enter an order granting a permanent injunction against the Defendant enjoining the Defendant from conducting any mortgage loan activity in Arkansas; a fine in the amount of \$10,000.00 for each violation of the FMLA contained in this complaint and the Ceased and Desist Order attached hereto; a civil penalty in the amount of \$25,000.00 for each violation of the attached Cease and Desist Order by the Defendant as detailed above; a return of the advance fee and the mortgage payment paid by AR2 to the Defendant; and, for all other relief as may be appropriate in the public interest.

Respectfully Submitted,



Scott S. Freydl, Bar No. 93-100
Staff Attorney
Arkansas Securities Department
201 East Markham Street, Suite 300
Little Rock, Arkansas 72201
Telephone: (501) 324-9266
Facsimile: (501) 324-9268

June 14, 2011
Date

From the desk of...

Tom D. Flores

Dear Homeowner,

1/11/10

Hello, my name is Tom Flores. I live here in Fayetteville and have lived here for over 30 years. We all know that times are tough and I definitely know what you and your family are going through. I have been through the same situation myself.

I specialize in helping families get out of the current situation they're in with their homes. I have been doing this for several years and am getting excellent results.

There are many ways to save your home and you do have rights as a Homeowner. The Government is now implementing new laws and programs to help you save your home. I understand how they work and who to talk to with your Mortgage Company. The Government or the Mortgage company will NOT contact you. You must take ACTION! These programs are only going to be available through the end of 2010. Time is of the essence! Most Homeowners don't have the time or the patience to deal with this stressful process. The County has set a SALE DATE for your home..

This is where I come in, I can stop or suspend the sale and present several options to you and your Mortgage Company to give you more time and get you back on your feet.

If you want to save your home, you don't need to:

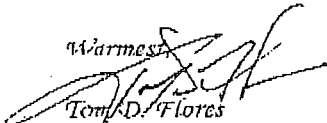
1. Get another loan.
2. Deal with the Forclosing Attorneys.
3. Deal with the Mortgage Company.
4. Deal with trying to sell your home.
5. Declare Bankruptcy.

To see what OPTIONS are available to you. You can...

1. Call me @ (479) 973-4342
2. Email me at tomdflores@earthlink.net or
3. Fill out the Mortgage evaluation form enclosed and email it, fax it @ 479-966-4693 or mail it back to me @ 3395 Raleigh Circle Fayetteville, Ark. 72703

P.S. If you really "do not" want to keep your home, we can help you Sell it Quickly!!

Se Habla Espanol!

Warmest

 Tom D. Flores
 Mortgage Workout Specialist

Feel free to call any or all of these true testimonials.

"We couldn't have done it without Tom's help"
Thank you so much!

Stephen Brock
Alexander, Ark.
501-653-2073

"I really didn't know what to do" Tom made easy and fast"
Thanks.

Tina Black
Prairie Grove, Ark.
701-330-8494

"We were able to sleep at night again. We are very grateful"
Good Job!

Doug Moore
Alma, Ark.
479-474-9561

MORTGAGE EVALUATION FORM

NAME(S) _____ DATE ____/____/____

ADDRESS _____ CITY _____ ZIP _____

PHONE: _____ WORK: _____ FX: _____

EMAIL ADDRESS _____

WHO'S YOUR MORTGAGE COMPANY? _____

HAVE YOU BEEN IN CONTACT WITH THEM? _____

HOW MANY PAYMENTS ARE YOU BEHIND? _____

WHAT ARE YOUR MONTHLY MOTGAGE PAYMENTS? _____

HOW DID YOU GET BEHIND? _____

DO YOU REALLY WANT TO SAVE YOUR HOME? YES _____ NO _____

HOW MUCH CAN YOU PUT TOWARD YOUR MISSED PAYMENTS? _____

IF I WERE TO HELP YOU SAVE YOUR HOME; COULD YOU MAINTAIN THE CURRENT MONTHLY MORTGAGE PAYMENTS? YES _____ NO _____

WHO IS YOUR EMPLOYER? _____

WHAT IS YOUR COMBINED HOUSEHOLD MONTHLY NET INCOME?
HIM _____ + HER _____ + OTHER _____ = TOTAL _____

DO YOU HAPPEN TO KNOW YOUR SALE DATE? _____

PLEASE FAX, MAIL OR EMAIL TO :

FAX: 479-966-4692
MAIL: TOM D. FLORES
3395 RALEIGH CIRCLE
FAYETTEVILLE, ARK 72703
EMAIL: tomdflores@earthlink.net
(scan then email)

Exhibit 3

From the desk of...

Tom D. Flores

Dear Homeowner,

3/18/10

Hello, my name is Tom Flores. I live here in Fayetteville and have lived here for over 30 years. We all know that times are tough and I definitely know what you and your family are going through. I have been through the same situation myself.

I specialize in helping families get out of the current situation they're in with their homes. I have been doing this for several years and am getting excellent results.

There are many ways to save your home and you do have rights as a Homeowner. The Government is now implementing new laws and programs to help you save your home. I understand how they work and who to talk to with your Mortgage Company. The Government or the Mortgage company will NOT contact you. You must take ACTION! These programs are only going to be available through the end of 2010. Time is of the essence! Most Homeowners don't have the time or the patience to deal with this stressful process. The County has set a SALE DATE for your home..

This is where I come in, I can stop or suspend the sale and present several options to you and your Mortgage Company to give you more time and get you back on your feet.

If you want to save your home, you don't need to:

1. Get another loan.
2. Deal with the Foreclosing Attorneys and Mortgage Company.
3. Worry about your Credit Score.
4. Deal with trying to sell your home.
5. Declare Bankruptcy.

To see what OPTIONS are available to you. You can...

1. Call me @ (479) 973-4342 or
2. Email me at tomdflores@earthlink.net

**P.S. If you really "do not" want to keep your home, we can help you
Sell it Quickly!!**

Warmest,

Se Habla Espanol!

Tom D. Flores
Mortgage Workout Specialist

Feel free to call any or all of these true testimonials.

"I couldn't have done it
without Tom's help"
Thank you so much!

"I really didn't know what
to do" Tom made easy and fast"
Thanks.

"We were able to sleep at night
again. We are very grateful"
Good Job!

Lindsey Shamblin
Greenwood, Ark
479-459-6652

Tina Black
Prairie Grove, Ark
701-330-8494

Doug Moore
Alma, Ark
479-474-9561

Exhibit 4

T.D.F. INC

Mortgage Workout Specialist

3395 E. Raleigh Circle Fayetteville, Ark 72703

Ph:479-973-4342 Fx:479-966-4692 Email: tomdflores@earthlink.net

DATE ____/____/____

LETTER OF AUTHORIZATION

I/WE HEREBY AUTHORIZE YOU TO RELEASE TO TOM D. FLORES, ANY AND ALL INFORMATION REGARDING MY MORTGAGE LOAN. YOU MAY REPRODUCE THIS DOCUMENT TO ACQUIRE REFERENCE FROM MORE THAN ONE SOURCE.

ADDRESS: _____

NAME _____ D.O.B. ____/____/____

SIGNATURE X _____ (sign)

S.S. # _____ (need)

LOAN # _____ (need)

Company _____

Exhibit 5

Disclosure Regarding Your Real Estate

This document serves as an explanation and disclosure regarding the Property at:

**652 Zachary Drive
Centerton, Ark 72719**

The Forbearance of your property will be made possible because we may be able to negotiate with the Lender/Lenders to have them take less than what is owed on the reinstatement amount due on your property.

Your Lender/Lenders may require you as the original mortgagor to pay a contribution of the reinstatement amount due and the remaining amount may be added to your current monthly mortgage payments or keeping your current payments intact and may result in extending the Mortgage. This is known as a Loan Modification or a repayment plan.

The property owner agrees to hold harmless Tom D. Flores and all other persons for any and all claims, actions, and compensation whatsoever which the undersigned now has/have or which may hereafter in any way growing out of any, foreseen and unforeseen from forbearance of the property.

There is a one time non-refundable fee of \$800.00 due at time of services. If only a portion of said fee is paid while attempting to do a Loan Modification and the foreclosure sale date on the above property has been postponed, suspended or a Loan Modification has been reached, the balance on the said fee will be due. If the property owner has misrepresented him or herself in any way shape or form this agreement will be null and void. In addition, if the current Mortgage Company provides a Loan Modification and the Mortgage holder declines the offer there is no guarantee that a new one will be offered.

THE UNDERSIGNED HAS READ THE FORGOING RELEASE AND FULLY UNDERSTANDS IT.

Signed, sealed and delivered this _____ day of _____ 20_____.

Witness X _____ (sign)

STATE OF ARKANSAS

COUNTY OF WASHINIGTON AND/OR BENTON

On this _____ day of _____, 20____, before me personally appeared _____ . To me known to be the person(s) named herein and who executed the foregoing release and who acknowledge to me that they have read the forgoing release and understand the contents thereof and they voluntarily executed the same.

My term expires _____
Notary Public

Exhibit 6

Homeowners Loan Mod Check List
(all must be signed and dated)

- 1. TWO WEEKS OF PAY STUBS.
- 2. WORKOUT SHEET. (see below)

SAMPLE	Monthly Expenses	Monthly Net Income	YOUR TOTALS
Mortgage	1000		
Gas	25		
Electricity	125		
Water	64		
Cable	60		
Phone	101		
Insurance	75		
Car payment	385		
Food	400		
Gasoline	300		
Other	50		
Life Ins	75		
Child care	100		
Him		1525	
Her		1490	
Total	2760	3015	
Surplus		255	

- 3. **HARDSHIP LETTER: Hand write!!**
Describe why you fell behind.
State that you want to keep the home.
Also that you are in the home and that it is in good shape and that you may have made improvements on it.
- 4. **INSPECTION:** Expect the company to pay you a visit to make sure you are in the property and that it is in good shape. Also you may still receive collection info from the Co or Atty's
- 5. **SET UP OPTIONS:** (1) Payment, contribution, 3 consecutive payment before modification plan.
- 6. **BE PATIENT:** Process could take 30 to 60 days.
- 7. If contacted by the Mortgage company tell them to call me on your account because you have me to work on your behalf.
- 8. You must keep a line of communication **OPEN!!!!!!** with me!

BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO C-10-049
ORDER NO C-10-049-10-CD01

RECEIVED
10 JUN -2 AM 11:14
ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:
TOM D. FLORES

RESPONDENT

CEASE AND DESIST ORDER

On June 1, 2010, the Staff of the Arkansas Securities Department ("Staff") filed a Request for a Cease and Desist Order ("Request"), stating that it has information and certain evidence in its possession that indicates Tom D. Flores has violated provisions of the Arkansas Fair Mortgage Lending Act ("FMLA"), Ark. Code Ann. §§ 23-39-501 through 23-39-518. The Arkansas Securities Commissioner ("Commissioner") has reviewed the Request, and based upon representations made therein, finds that:

FINDINGS OF FACT

The Staff's Request asserts the following representations of fact:

1. Tom D. Flores ("Flores") is an individual person believed by the Staff to be living in Fayetteville, Arkansas. Flores has never been licensed by the Arkansas Securities Department ("Department") as a mortgage broker or loan officer.
2. On or about January 11, 2010, Arkansas resident one ("AR1") received a solicitation letter and "Mortgage Evaluation Form" from Flores. A copy of Flores' solicitation letter and form are attached to the Request as "Exhibit 1 and 2". In his letter Flores offers to stop or suspend the sale (of AR1's home) and present several options to AR1 and AR1's mortgage company to "give (AR1) more time and get (AR1) back on (AR1's) feet". In addition, the

Mortgage Evaluation Form provided by Flores required AR1 to provide personal financial information concerning AR1's mortgage loan and income. After AR1 received Flores' letter, AR1 contacted Flores by telephone. During the telephone conversation between AR1 and Flores, Flores stated that he could help AR1 with AR1's foreclosure or mortgage problem for a fee of \$800.00. AR1 ultimately decided not to hire Flores.

3. Flores has admitted to the Staff that he sent solicitation letters, similar to letter sent to AR1, offering mortgage loan modification services to 51 other Arkansas residents. A copy of this letter is attached to the Request as "Exhibit 3". In addition, Flores admitted to the Staff that he uses several other forms in his loan modification activities in Arkansas. The first form is titled "Letter of Authorization". A copy of this form is attached to the Request as "Exhibit 4". This form authorizes the release of information about the Arkansas residents' mortgage loan to Flores. The second form is titled "Disclosure Regarding Your Real Estate". A copy of this form is attached to the Request as "Exhibit 5". The disclosure form states that the forbearance of the client's property will be made possible, because Flores may be able to negotiate with the lender/lenders to have them take less than what is owed on the reinstatement amount due on the client's property. The form refers to this as a "Loan Modification" or repayment plan. Finally, the form states that there is a one-time non-refundable fee of \$800.00 due at the time of services. The third form used by Flores in Arkansas is titled "Homeowners Loan Mod Check List". A copy of this form is attached to the Request as "Exhibit 6". This form requires the client to provide Flores with detailed financial information concerning the client's income and monthly expenses. The form also states that if the client is contacted by the mortgage company, then the client is to tell them to call Flores, because the client has Flores to work on the client's behalf.

CONCLUSIONS OF LAW

4. It is unlawful for any person to act or attempt to act, directly or indirectly, as a mortgage broker or loan officer without first obtaining a license from the Securities Commissioner under the Arkansas FMLA. Ark. Code Ann. § 23-39-503(a) Flores violated Ark. Code Ann. § 23-39-503(a) 52 times when he acted as a mortgage broker and/or loan officer with AR1, as well as 51 other Arkansas residents, without first being licensed as a mortgage broker and/or loan officer under the Arkansas FMLA.

5. Upon finding that any action of a person is in violation of the FMLA, the Commissioner may summarily order the person to cease and desist from the prohibited action. Ark. Code Ann. § 23-39-514(d)(1). The conduct, acts, and practices of Flores threatens immediate and irreparable public harm. Based on the Findings of Fact and Conclusions of Law, this Cease and Order is in the public interest and is appropriate pursuant to Ark. Code Ann. § 23-39-514.

ORDER

IT IS THEREFORE ORDERED that Flores CEASE AND DESIST from all mortgage loan activity in Arkansas until such time as he has been properly licensed under the Arkansas FMLA.

A hearing on this Order shall be held, if requested by Flores in writing within thirty (30) days of the date of the entry of this Order, or if otherwise ordered by the Commissioner. Such request should be addressed to the Commissioner and submitted to the following address:

Arkansas Securities Commissioner
201 East Markham, Suite 300
Little Rock, Arkansas 72201

If no hearing is requested and none is ordered by the Commissioner, this Order will remain in effect until it is modified or vacated by the Commissioner. *See* Ark. Code Ann. § 23-39-514(d).

A. Heath Abshire
A. Heath Abshire
Arkansas Securities Commissioner

June 2, 2010
Date

Disclosure Regarding Your Real Estate

This document serves as an explanation and disclosure regarding the Property at:

**1013 S. 19th Street
Rogers, Ark 72758**

The Forbearance of your property will be made possible because we may be able to negotiate with the Lender/Lenders to have them take less than what is owed on the reinstatement amount due on your property.

Your Lender/Lenders may require you as the original mortgagor to pay a contribution of the reinstatement amount due and the remaining amount may be added to your current monthly mortgage payments or keeping your current payments intact and may result in extending the Mortgage. This is known as a Loan Modification or a repayment plan.

The property owner agrees to hold harmless Tom D. Flores and all other persons for any and all claims, actions, and compensation whatsoever which the undersigned now has/have or which may hereafter in any way growing out of any, foreseen and unforeseen from forbearance of the property.

There is a one time refundable fee of \$800.00 due at time of services.

If only a portion of said fee is paid while attempting to do a Loan Modification and the foreclosure sale date on the above property has been postponed, suspended or a Loan Modification has been reached, the balance on the said fee will be due.

If the property owner has misrepresented him or herself in any way shape or form this agreement will be null and void.

In addition, if the current Mortgage Company provides a Loan Modification and the Mortgage holder declines the offer there is no guarantee that a new one will be offered.

THE UNDERSIGNED HAS READ THE FORGOING RELEASE AND FULLY UNDERSTANDS IT.

Signed, sealed and delivered this ____ day of _____ 20____.

Witness

X _____ (sign)

STATE OF ARKANSAS

COUNTY OF WASHINIGTON AND/OR BENTON

On this _____ day of _____, 20____, before me personally appeared _____ . To me known to be the person(s) named herein and who executed the foregoing release and who acknowledge to me that they have read the forgoing release and understand the contents thereof and they voluntarily executed the same.

My term expires _____

Notary Public