

2003014031
02/10/2003 02:34:13 PM
Filed & Recorded in
Official Records of
CAROLYN STALEY
PULASKI COUNTY
VACATION EASEMENT
Fees \$102.00
200393

This Historic Preservation and Conservation Easement ("Easement") is made this 6 day of February, 2003, by and between the Junior League of Little Rock ("Grantor") and the City of Little Rock, Arkansas ("Grantee").

WITNESSETH:

WHEREAS, the Grantee is a qualifying recipient of qualified conservation contributions under 26 U.S.C. § 170, being part of the Internal Revenue Code, as amended from time to time ("the Code"); and

WHEREAS, the Grantee is authorized to accept conservation easements for all purposes set forth in Act 567 of 1983, as amended, ("the Act"), which is codified on the date of this Easement as Ark. Code Ann. §§ 15-20-401 to - 410 (Michie Repl. 2000 & Supp. 2001); and

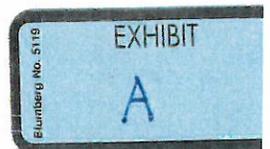
WHEREAS, the Grantor is owner in fee simple of certain real property in Little Rock, Pulaski County, Arkansas ("the Premises") including a structure commonly known as the Women's City Club (the "Building"), and is more particularly described below; and

WHEREAS, the Building was listed in the National Register of Historic Places on December 22, 1982 and is warranted by Grantor to be a certified historic structure; and

WHEREAS, the Grantor and Grantee recognize the historical, cultural, architectural or archaeological value and significance of the Premises, and have the common purpose of conserving and preserving the aforesaid value and significance of the Premises; and

WHEREAS, the grant of a preservation and conservation easement by Grantor to Grantee on the real property referred to herein will assist in preserving and maintaining the Premises and its architectural, archaeological, historical and cultural features; and

WHEREAS, the grant of a preservation and conservation easement by Grantor to Grantee on the Premises and Building will assist in preserving and maintaining the aforesaid value and significance of the Premises both to Grantor and Grantee; and



WHEREAS, to that end Grantor desires to grant to Grantee, and Grantee desires to accept, a conservation easement on the Premises and the Building subject to the conditions as set forth in the balance of this Easement;

NOW, THEREFORE, IN CONSIDERATION OF TEN DOLLARS (\$10.00) AND OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED,

Grantor does hereby grant, bargain, sell and convey for a period of fifty (50) years from the date of execution of this Easement, unto the Grantee, TO HAVE AND TO HOLD the same unto Grantee, an undivided interest in an Easement in gross, which Easement is more particularly described below, in and to that certain real property and the exterior surfaces of the Building located thereon, owned by the Grantor, and more particularly described on the attached Exhibit "A" which is incorporated herein by reference.

The Easement, to be of the nature and character hereinafter further expressed, shall constitute a binding servitude upon said Premises of the Grantor for the period set forth above, and to that end Grantor covenants on behalf of itself, its heirs, personal administrators, executors, successors and assigns, with Grantee, its successors and assigns, including that such covenants shall run as a binding servitude for the period of time set forth above, unless revoked by mutual agreement as set forth below, upon the Premises, each of the following covenants and stipulations, which contribute to the public purpose in that they aid significantly in the preservation of the Building and surrounding land area, and which help maintain and assure the present and future integrity of the Building.

1. *Description of Façade.* In order to make more certain the full extent of Grantor's obligations and the restrictions on the Premises and the Building, and in order to document the external nature of the Building as of the date this Easement is executed, attached hereto as Exhibit "B" and incorporated herein by this reference are a set of photographs depicting the exterior surfaces of the Building and surrounding property and

an affidavit specifying certain technical and location information relative to said photographs satisfactory to Grantee, attached hereto as Exhibit "C". It is stipulated by the Grantor and Grantee that the external nature of the Building as shown in Exhibit "B" is deemed to be a true and accurate representation of the external nature of the Building on the date this Easement is executed, and as of the date this Easement is first recorded in the real estate records of Pulaski County, Arkansas, where the Premises are located. The external nature of the Building, as shown in Exhibit "B", is hereinafter referred to as "the Façade".

2. *Grantor's Covenants.* In the furtherance of the Easement herein granted, Grantor undertakes, of itself, to do – and to refrain from doing as the case may be – upon the Premises each of the following, which contribute to the public purpose of significantly protecting and preserving the Premises:

(a) Grantor shall not demolish, remove or raze the Building or the Façade except as provided in numbered Paragraphs 6 and 7 of this Easement which deal with questions of casualty loss.

(b) Without the prior express written permission and approval of the Grantee – which shall be granted or withheld solely within the discretion of the Grantee – signed by a duly authorized representative of the Grantee, it being understood and agreed by Grantor that such authorization may not be obtained orally, by estoppel or waiver, or in any other manner other than as expressly set forth above ("the Approval") -- and that any such approval that is not express, in writing, and signed by a duly authorized representative of the Grantee, shall be null and void, and shall never have been deemed to be effective --, Grantor shall not undertake any of the following actions:

- (I) increase or decrease the height of the Façade of the Building;
- (II) adversely affect the structural soundness of the Façade;

(III) make any changes in the Façade, including the alteration, partial removal, construction, remodeling or other physical or structural change, including any change in surfacing, with respect to the appearance or construction of the Façade, with the exception of ordinary maintenance pursuant to Paragraph 2(C) below;

(IV) erect anything on the Premises or on the Façade which would prohibit it from being visible from street level, except for a temporary structure during any period of approved alteration or restoration;

(V) permit any significant reconstruction, repair, repainting or refinishing of the Façade that alters its state from the existing condition. This subsection (V) shall not include ordinary maintenance pursuant to Paragraph 2(c) below; and

(VI) erect, construct or move anything on the Premises that would encroach on the open land area surrounding the Building and interfere with a view of the Façade or be incompatible with the historic or architectural character of the Building or the Façade.

(c) Grantor agrees at all times to maintain the Building in a good and sound state of repair and to maintain the Façade and the structural soundness and safety of the Building and to undertake the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings so as to prevent deterioration of the Façade. Subject to the casualty provisions of Paragraphs 5, 6 and 7, this obligation to maintain shall require replacement, rebuilding, repair and reconstruction whenever necessary to have the external nature of the Building at all times appear to be and actually be the same as the Façade.

(d) No buildings or structures, including satellite receiving dishes, camping accommodations, mobile homes, or manufactured homes not presently on the Premises shall be erected or placed on the Premises hereafter, except for temporary structures

required for the maintenance or rehabilitation of the property, such as construction trailers, without the express written consent of the Grantee.

(e) No signs, billboards, awnings or advertisements shall be permanently displayed or placed on the Premises or Building; provided, however, that Grantee may, with an Approval, erect such permanent signs or awnings as are compatible with the preservation and conservation purposes of this Easement and appropriate to identify the Premises and Building and any activities on the Premises or in the Building.

(f) There shall be no removal, destruction or cutting down of large trees or landscaping integral to the preservation and conservation purposes of this Easement; provided, however, that Grantor may, with an Approval, undertake such landscaping of the Premises as is compatible with the preservation and conservation purposes of this Easement and which may involve removal or alteration or present landscaping, including trees, shrubs or other vegetation.

(g) No dumping of ashes, trash, rubbish or any other unsightly or offensive materials shall be permitted on the Premises.

(h) The premises shall be used only for purposes consistent with the preservation and conservation purposes of this Easement.

(i) After the date the Easement is recorded, the Premises (or any part thereof or interest therein) shall not be subdivided, replatted, or subjected to change in allowed land uses including without limitation action to change the allowed land uses or zoning classification, and the Premises shall not be leased, mortgaged, sold, devised, or conveyed (including without limitation conveyance of an easement or restrictive covenant) except as a unit subject to this easement.

(j) No utility transmission lines, except those reasonably necessary for the existing Building, may be created on the Premises, subject to utility easements recorded as of the date this Easement is recorded.

3. (a) *Public View.* Grantor agrees not to obstruct the substantial and regular opportunity of the public to view the exterior architectural features of any building, structure or improvements of the Premises, including the Building, from adjacent publicly accessible areas such as public streets.

(b) *Public Access.* Grantor agrees to work with persons affiliated with educational organizations, professional architectural associations and historical societies to schedule appointments to study the Premises and the Building. Any such public access may be subject to restrictions reasonably designed for the protection and maintenance of the Premises and the Building. Grantor may require that it furnish such guides, security, or both, as may be reasonably necessary or desirable for such restrictions. Such admission may also be subject to a reasonable fee which may include the costs for Grantor to provide any guides or security. Notwithstanding these provisions, the Grantee make photographs, drawings or other representations documenting the significant historical, cultural or architectural character and features of the property and distribute them to magazines, newsletters or other publicly available publications, including the internet, or use them to further their stated purpose.

4. *Standards for Review of Work.* In exercising any authority created by the Easement to inspect the Premises, the Buildings or the Facades; to review any construction, alteration, repair or maintenance; or to review casualty damage or to reconstruct or approve reconstruction of the Buildings following casualty damage, Grantee shall apply the Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings; issued and as may be amended from time to time by the Secretary of the United States Department of the Interior (hereinafter the "Standards") and state or local standards considered appropriate by Grantee for review of work affecting historically or architecturally significant structures or for construction of new structures within historically, architecturally or culturally significant areas. Grantor agrees to abide

by the Standards in performing all ordinary repair and maintenance work and the minimum maintenance program described in paragraph 2(c) and contained in Exhibit "D". In the event the Standards are abandoned or materially altered or otherwise become, in the sole judgment and discretion of the Grantee, inappropriate for the purposes set forth above, the Grantee may apply reasonable alternative standards and notify Grantor of the substituted standards.

5. *Casualty Damage or Destruction.* In the event that the Premises or any part thereof shall be damaged or destroyed by casualty, the Grantor shall notify the Grantee in writing within one (1) week of the damage or destruction, such notification including what, if any, emergency work has already been completed. For purposes of this instrument, the term "casualty" is defined as such sudden damage or loss as would qualify for a loss deduction pursuant to Section 165(c)(3) of the Code (construed without regard to legal status, trade or business of the Grantor or any applicable dollar limitation). No repairs or reconstruction of any type, other than temporary emergency work to prevent further damage to the Property and to protect public safety, shall be undertaken by Grantor without an Approval. Within six (6) weeks of the date of damage or destruction, the Grantor shall submit to the Grantee a written report prepared by an architect and an engineer which demonstrates a sensitivity to the issues of historic restoration and preservation, if required, acceptable to the Grantor and the Grantee which shall include the following:

- (a) an assessment of the nature and extent of the damage;
- (b) a determination of the feasibility of the restoration of the Facades and reconstruction of damaged or destroyed portions of the Premises; and
- (c) a report of all work necessary to return the Premises to the condition existing at the time this Easement was recorded or to the condition to which it may have been altered only where alterations are done, pursuant to an

Approval as set forth in paragraph 2 of the Easement (the "Prior Condition"). If, in the opinion of the Grantee, after reviewing such report, the purpose and intent of the Easement will be served by restoration and reconstruction of the Premises to the Prior Condition, the Grantor shall, within eighteen (18) months after the date of such change or destruction, complete the restoration and construction of the Premises in accordance with plans and specifications having an Approval up to at least the total of the casualty insurance proceeds as may be necessary to restore the appearance of the Facades to the Prior Condition, and additional cost of work not performed or monies advanced (Grantee having no obligation to advance funds) by Grantee shall constitute a lien on the Premises until repaid by Grantor.

6. *Grantee's Remedies Following Casualty Damage.* The foregoing notwithstanding, in the event of damage resulting from casualty, as defined at paragraph 5, which is of such magnitude and extent as to defeat the purposes of this Easement, as determined by Grantee acting with sole discretion, then:

- (a) Grantee may elect to reconstruct the Building using insurance proceeds, donations or other funds received by Grantor or Grantee on account of such casualty, but otherwise at its own expense (such expense of Grantee to constitute a lien on the Premises until repaid in full); or
- (b) Grantee may elect to choose any salvageable portion of the Facades and remove them from the Premises, extinguish the Easement pursuant to paragraph 26, and this Easement shall thereupon be of no further force and effect, and Grantee shall execute and deliver to Grantor acknowledged evidence of such fact suitable for recording in the land records of the county wherein the Premises is located, and Grantor shall deliver to Grantee a good and sufficient Bill of Sale for such salvaged portions of the Facade.

7. *Review After Casualty Loss.* If, in the opinion of the Grantee, restoration and reconstruction would not serve the purpose and intent of the Easement, then the Grantor shall continue to comply with the provisions of the Easement and seek an Approval altering, demolishing, removing or razing the Buildings and constructing new improvements on the Premises.

8. *Grantee's Covenants.* The Grantee covenants that:

(a) Grantee is and will remain a qualified organization for purposes of Section 170(h) of the Code. In the event that the Grantee's status as a qualified organization is successfully challenged, then the Grantee shall promptly select another qualified organization and transfer all of its rights and obligations under the Easement to it, which shall be the sole and exclusive remedy of Grantor.

(b) In the event that the Grantee shall at any time in the future become the fee simple owner of the Premises, Grantee for itself, its successors and assigns, covenants and agrees, in the event of a subsequent conveyance of the same to another, to create a new preservation and conservation easement either to retain such easement in itself or to convey such easement to a similar unit of federal, state or local government or local, state or national organization whose purposes, inter alia, are to promote preservation or conservation of historical, cultural or architectural resources, and which is a qualified organization under Section 170(h)(3) of the Code.

(c) Grantee may, at its discretion and without prior notice to Grantor, convey, assign or transfer this Easement to a unit of federal, state or local government or to a similar local, state or national organization whose purposes, inter alia, are to promote preservation or conservation of historical, cultural or architectural resources, and which at the time of the conveyance,

assignment or transfer, is a qualified organization under Section 17(h)(3) of the Code, provided that any such conveyance, assignment or transfer requires that the preservation and conservation purposes for which the Easement was granted will continue to be carried out.

9. *Inspection.* Grantor hereby agrees that representatives of Grantee shall be permitted at all reasonable times to inspect the Premises, including the Facades and the Buildings. Grantor agrees that representatives of Grantee shall be permitted to enter and inspect the interior of the Buildings to determine compliance with this Easement and maintenance of structural soundness and safety; inspection of the interior will not, in the absence of evidence of deterioration, take place more often than annually, and may involve reasonable testing of interior structural condition. Inspection of the interior will be made at a time mutually agreed upon by Grantor and Grantee, and Grantor covenants not to unreasonably withhold its consent in determining a date and time for such inspection.

10. *Grantee's Remedies.* Grantee has the following legal remedies to correct any violation of any covenant, stipulation or restriction herein, in addition to any remedies now or hereafter provided by law:

(a) Grantee may, following thirty (30) days written notice to Grantor, institute suit to enjoin such violation by ex parte, temporary, preliminary and permanent injunction, including prohibitory and mandatory injunctive relief, and to require the restoration of the Premises to the condition and appearance required by this Easement.

(b) Representatives of the Grantee may, following reasonable notice to Grantor, enter upon the Premises, correct any such violation, and hold Grantor, its heirs, personal administrators, executors, successors and assigns responsible for the cost thereof.

(I) Such cost until repaid shall constitute a lien on the Premises.

(II) Grantee shall exercise reasonable care in selecting independent contractors if it chooses to retain such contractors to correct any such violations, including making reasonable inquiry as to whether any such contractor is properly licensed and has adequate liability insurance and workers' compensation coverage.

(c) Grantee shall also have available all other legal and equitable remedies to enforce Grantor's obligations hereunder.

(d) In the event Grantor is found to have violated any of its obligations, Grantor shall reimburse Grantee for any costs or expenses incurred in connection therewith, including all reasonable court costs and attorneys', architectural, engineering and expert witness fees.

(e) Exercise by Grantee of one remedy hereunder shall not have the effect of waiving or limiting any other remedy, and the failure to exercise any remedy shall not have the effect of waiving or limiting the use of any other remedy or the use of such remedy at any other time.

11. *Notice from Government Authorities.* Grantor shall deliver to Grantee copies of any notice, demand, letter or bill received by Grantor from any government authority within ten (10) days of receipt by Grantor. Upon request by Grantee, Grantor shall promptly furnish Grantee with evidence of Grantor's compliance with such notice, demand, letter to bill, where compliance is required by law.

12. *Notice of Proposed Sale.* Grantor shall promptly notify Grantee in writing of any proposed sale of the Premises and provide the opportunity for Grantee to explain the terms of the Easement to potential new owners prior to sale closing.

13. *Revocation of Easement at Request of Grantor.* If Grantee concludes that it is in its best interests to permit the revocation of this Easement, and if such revocation can occur without threat to any similar Easement or program of historic preservation the

Grantee maintains, then at any time upon thirty (30) days written notice from Grantor to Grantee of a desire to revoke this Easement, Grantor may return the consideration paid, subject to adjustments described herein, by Grantor to Grantee hereunder, thereby permanently revoking the Easement conveyed hereunder. Grantor shall return the full amount paid plus interest computed at six percent (6%) simple annual interest from the date of the grant of the Easement.

14. *Runs with the Land.* The obligations imposed by this Easement shall be effective for a period of fifty (50) years from the date of execution of this Easement and shall be deemed to run as a binding servitude with the Premises unless revoked in accordance with the provisions of paragraph 13. This Easement shall extend to and be binding upon Grantor and Grantee, their respective successors in interest and all persons hereafter claiming under or through Grantor and Grantee, and the words "Grantor" and "Grantee" when used herein shall include all such persons. Anything contained herein to the contrary notwithstanding, a person shall have no obligation pursuant to this instrument where such person shall cease to have any interest in the Premises by reason of a bona fide transfer, solely except for violations in existence at the time of transfer, for which Grantor and all successors to Grantor shall be jointly and severally responsible, except that Grantee may seek enforcement against any person deemed responsible without necessity of joining all such responsible persons.

15. *Title Insurance Recording.* Grantee shall do and perform all acts necessary to prompt recording of this instrument in the real estate records of the county wherein the Premises is located, and Grantor shall pay for the expense of recording. In addition, Grantor shall pay for and furnish to Grantee a policy of title insurance, in an amount equal to the value attributable to this Easement, to be determined by an appraisal in form satisfactory to Grantee, from an insurer acceptable to Grantee, insuring enforceability,

validity and priority of this Easement, and reflecting no liens, charges or encumbrances on the Premises other than those described in paragraph 16.

16. *Existing Liens.* Except for those matters shown in Exhibit "E" hereto, Grantor warrants to Grantee that no lien or encumbrance exists on the Premises as of the date hereof. Grantor shall immediately cause to be satisfied or released any lien or claim of lien that may hereafter come to exist against the Premises which may have priority over any of the rights, title or interest of Grantee in the Premises.

17. *Subordination of Mortgages.* Grantor warrants and represents to Grantee that all mortgages, liens, charges and encumbrances (solely except for ad valorem and other county or municipal taxes) and other rights in the Premises held by all persons or entities other than Grantee (the "Lienholder(s)") are subject and subordinate at all times to the rights of the Grantee pursuant to this Easement. Grantor has provided a copy of the Easement to all Lienholders, and the agreement of each of the Lienholders to subordinate all of their interest in the Premises to the Easement is attached as Exhibit "F". The following provisions apply to all Lienholders now existing or hereafter claiming an interest in the Premises:

(a) If a Lienholder has the right to receive the proceeds of condemnation proceedings arising from any exercise of the power of eminent domain as to all or any part of the Premises or the right to receive insurance proceeds as a result of any casualty, hazard or accident occurring to or about the Premises, the Lienholder shall have a prior claim to the insurance and condemnation proceeds and shall be entitled to same in preference to Grantee until the debt owed to such Lienholder is paid off and discharged, notwithstanding that the interest of the Lienholder is subordinate to the Easement.

(b) If a Lienholder has received an assignment of the leases, rents and profits of the Premises as security or additional security for a loan, then the Lienholder shall

have a prior claim to the leases, rents and profits of the Premises and shall be entitled to receive same in preference to Grantee until the debt owed to such Lienholder is paid off, notwithstanding that the interest of the Lienholder is subordinate to the Easement.

(c) Until a Lienholder or purchaser at foreclosure obtains ownership of the Premises, the Lienholder or purchaser shall have no obligation, debt or liability under the Easement.

(d) Before exercising any right or remedy due to breach of the Easement except the right to enjoin a violation hereof, Grantee shall give all Lienholder of record written notice describing the default, and the Mortgages shall have sixty (60) days thereafter to cure or cause a cure of the default.

(e) Nothing contained in the above paragraphs or in the Easement shall be construed to give any Mortgage the right to extinguish this Easement by taking title to the Premises by foreclosure or otherwise.

18. *Plaques*. Grantee agrees that Grantor may provide and maintain a plaque on the Facades or the Buildings, which plaque shall not exceed twenty-four (24) inches by thirty-six (36) inches in size, giving notice of the significance of the Buildings or the Premises and the existence of this Easement.

19. *Indemnification; Immunity*. The Grantor hereby agrees to pay, protect, indemnify, hold harmless and defend at its own cost and expense, the Grantee, its agents, directors and employees or independent contractors from and against any and all claims, liabilities, expenses, costs, damages, losses and expenses (including reasonable attorneys' fees and disbursements hereafter incurred) arising out of or in any way relating to the administration, performed in good faith, of this Easement, including but not limited to the granting or denial of consents hereunder, the reporting on or advising as to any condition on the Premises, and the execution of work on the Premises. In the event that the Grantor

is required to indemnify the Grantee pursuant to the terms of the Easement, the amount of such indemnify, until discharged, shall constitute a lien on the Premises. In addition, Grantor (and all other persons or entities claiming rights hereunder) acknowledges and agrees that nothing contained in this Easement, or otherwise, shall defeat, affect or act to waive the sovereign and governmental immunity enjoyed and inuring in favor of Grantee.

20. *Taxes.* Grantor shall pay immediately, when first due and owing, all general taxes, special taxes, special assessments, water charges, sewer service charges and other charges which may become a lien on the Premises. Grantee is hereby authorized, but in no event required or expected, to make or advance, upon three (3) days prior written notice to Grantor, in the place of Grantor, any payment relating to taxes, assessments, water rates, sewer rentals and other governmental or municipality charge, fine, imposition or lien asserted against the Premises and may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or assessment or into the validity of such tax, assessment, sale or forfeiture. Such payment, if made by Grantee, shall become a lien on the Premises of the same priority as the item if not paid would have had.

21. *Insurance.* The Grantor shall keep the premises insured by an insurance company having a size of Class XIV or better and having a rating of "A+" or better by Best's Insurance Reports for the full replacement value, if such policy is available, and, if not, for the full appraised value, against loss from the perils commonly insured under standard fire and extended coverage policies and comprehensive general liability insurance against claims for personal injury, death and property damage of a type and in such amounts as would, in the opinion of Grantee, normally be carried on a property such as the Premises protected by a preservation and conservation easement. Such insurance shall include Grantee's interest and name Grantee as an additional insured and shall provide for at least thirty (30) days notice to Grantee before cancellation and that the act or

omission of one insured will not invalidate the policy as to the other insured party. Furthermore, the Grantor shall deliver to the Grantee certificates evidencing the aforesaid insurance coverage at the commencement of this grant and copies of new or renewed policies at least ten (10) days prior to the expiration of such policy. The Grantee shall have the right to provide insurance at the Grantor's cost and expense, should the Grantor fail to obtain same. In the event the Grantee obtains such insurance, the cost of such insurance shall be a lien on the Premises until repaid by the Grantor.

22. *Liens.* Any lien on the Premises created pursuant to any paragraph of the Easement may be enforced by all available means, methods and remedies provided by this Easement and by law.

23. *Written Notice.* Any notice which either Grantor or Grantee may desire or be required to give to the other party shall be in writing and shall be mailed postage prepaid by first class mail, or hand delivered; if to Grantor, then to Junior League of Little Rock, 401 South Scott Street, P.O. Box 7453, Little Rock Arkansas 72217-7453, Attention: President, and if to Grantee, then to City of Little Rock City Manager's Office, 500 West Markham, Suite 203, Little Rock, Arkansas 72201, Attention: Economic Development Manager. Each party may change its address set forth herein by a notice to such effect to the other party.

24. *Evidence of Compliance.* Upon request by Grantee, Grantor shall promptly furnish Grantee with evidence of Grantor's compliance with any obligation of Grantor contained in this Easement.

25. *Extinguishment.* Grantor and Grantee hereby recognize that an unexpected change in the conditions surrounding the Premises may make impossible the continued ownership or use of the Premises for the preservation and conservation purposes and necessitate extinguishment of the Easement. Such a change in conditions includes but is not limited to partial or total destruction of the Buildings or the Facades resulting from a

casualty of such magnitude that Grantee approves demolition as explained in paragraphs 5, 6, and 7, or condemnation or loss of title of all or a portion of the Premises, the Buildings or the Facades. Such an extinguishment must be either the result of a final judicial proceeding or have an Approval. Grantor shall be solely responsible for determining, reporting and paying any taxes, penalties or other sums, in addition to the legal, taxes and other effects of any extinguishment of the Easement.

26. *Interpretation and Enforcement.* The following provisions shall govern the effectiveness, interpretation and duration of the Easement.

(a) Any rule of strict construction designed to limit the breadth of restrictions on alienation or use of property shall not apply in the construction or interpretation of this Easement, and this Easement shall be interpreted broadly to affect its preservation and conservation purposes and the transfer of rights and the restrictions on use herein contained as provided in the Act.

(b) This Easement shall extend to and be binding upon Grantor and all persons hereafter claiming under or through Grantor, and the word "Grantor" when used herein shall include all such persons, whether or not such persons have signed this Easement or then have an interest in the Premises. Anything contained herein to the contrary notwithstanding, a person shall have no obligation pursuant to this Easement where such person shall cease to have any interest (present, partial, contingent, collateral or future) in the Premises by reason of a bona fide transfer for full value, solely except for violations in existence at the time of transfer, for which Grantor and all successors to Grantor shall be jointly and severally responsible without necessity of joining all such responsible persons. Any right, title or interest herein granted to Grantee also shall be deemed granted to each successor and assign of Grantee and each such following successor and assign thereof, and the word "Grantee" shall include all such successors and assigns.

(c) This Easement is executed in counterparts, each page of which (including exhibits) has been initialed by Grantor and Grantee for purposes of identification. In the event of any disparity between the counterparts produced, the recorded counterpart shall constitute the agreement of the parties.

(d) Except as expressly provided herein, nothing contained in this Easement grants, nor shall be interpreted to grant, to the public any right to enter on the Premises or into the Buildings.

(e) To the extent that Grantor owns or is entitled to development rights which may exist now or at some time hereafter by reason of the fact that under any applicable zoning or similar ordinance the Premises may be developed to use more intensive (in terms of height, bulk or other objective criteria regulated by such ordinances) than the Premises are devoted as of the date hereof, such development rights shall not be exercisable on, above or below the Premises during the term of the Easement, nor shall they be transferred to any adjacent parcel and exercised in a manner that would interfere with the preservation and conservation purposes of the Easement.

(f) For purposes of furthering the preservation of the Premises and Buildings and of furthering the other purposes of this Easement, and to meet changing conditions, Grantor and Grantee are free to amend jointly the terms of this instrument in writing without notice to any party; provided, however, that no such amendment shall limit the perpetual duration or interfere with the preservation and conservation purposes of this Easement. Such amendment shall become effective upon recording among the real estate records of the county where the Premises is located.

(g) The invalidity of any statute providing authority for Grantee to enter into this Easement or any part of this Easement shall not affect the validity and

200411

enforceability of the remaining portions of this Easement according to its terms, it being the intent of the parties to agree and to bind themselves, their successors and their assigns for the term of this easement to each term of this Easement whether this Easement be enforceable by reason of an statute, common law or private agreement either in existence now or at any time subsequent hereto.

(h) Nothing contained in this Easement shall be interpreted to authorize or permit Grantor to violate any ordinance or regulation relating to building materials, construction methods or use. In the event of any conflict between any such ordinance or regulation and the terms hereof, Grantor promptly shall notify Grantee of such conflict and shall cooperate with Grantee and the applicable governmental entity to accommodate the purposes of both this instrument and such ordinance or regulation.

(i) This Easement reflects the entire agreement of Grantor and Grantee. Any prior or simultaneous correspondence, undertakings, agreements and representations are null and void upon execution hereof, unless set out in this instrument.

IN WITNESS WHEREOF, on the date first shown above, Grantor has caused this preservation and conservation easement to be executed, sealed and delivered; and Grantee has caused this instrument to be accepted, sealed and executed by its authorized representative.

[SIGNATURES NEXT PAGE]

200412

GRANTOR:

JUNIOR LEAGUE OF LITTLE ROCK, INC.

By: Anne Goodman Massey
Anne Goodman Massey, President

By: Allison Ingram
Allison Ingram, Treasurer

GRANTEE:

CITY OF LITTLE ROCK, ARKANSAS

By: Bruce Moore
Bruce Moore, City Manager

ATTEST:

Nancy Wood
Nancy Wood, City Clerk

APPROVED AS TO LEGAL FORM:

Thomas M. Carpenter
Thomas M. Carpenter, City Attorney

STATE OF ARKANSAS)

200413

)ss.

ACKNOWLEDGMENT

COUNTY OF PULASKI)

On this 2nd day of January 2003, before me, a notary public, personally appeared Anne Goodman Massey, who acknowledged herself to be the President of the Junior League of Little Rock, Inc., a not-for-profit corporation, and that she, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

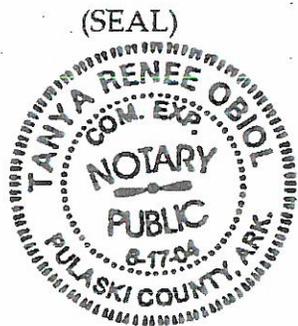
In witness whereof I hereunto set my hand and official seal.

Tanya Renee Obiol

Notary Public

My commission expires:

6-17-04



STATE OF ARKANSAS)

)ss. ACKNOWLEDGMENT

COUNTY OF PULASKI)

On this 20th day of January 2003, before me, a notary public, personally appeared Allison Ingram, who acknowledged herself to be the Treasurer of the Junior League of Little Rock, Inc., a not-for-profit corporation, and that she, as such Treasurer, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

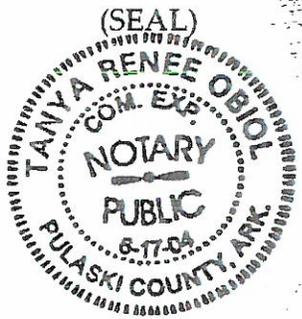
In witness whereof I hereunto set my hand and official seal.

Tanya Renee Obiol

Notary Public

My commission expires:

6-17-04



STATE OF ARKANSAS)

)ss. ACKNOWLEDGMENT

COUNTY OF PULASKI)

On this 6th day of Feb. 2003, before me, a notary public, personally appeared **Bruce Moore**, who acknowledged himself to be the City Manager of Little Rock, Arkansas, a municipal corporation, and that he, as such representative being authorized so to do, executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

Nancy Wood
Notary Public

My commission expires: 2-15-10

(SEAL)



200416
EXHIBIT "A"

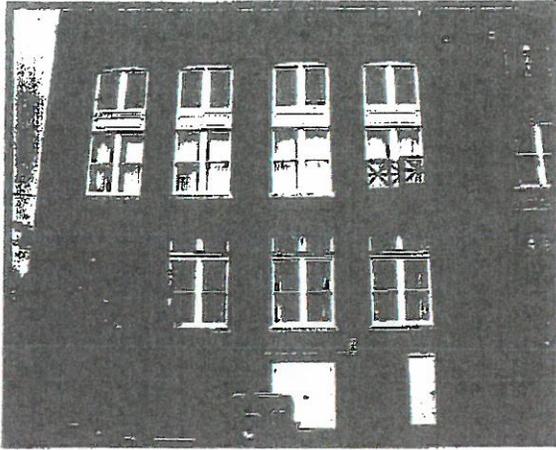
PROPERTY DESCRIPTION

Women's City Club is located at 401 South Scott Street, Little Rock, Arkansas; the legal description is as follows:

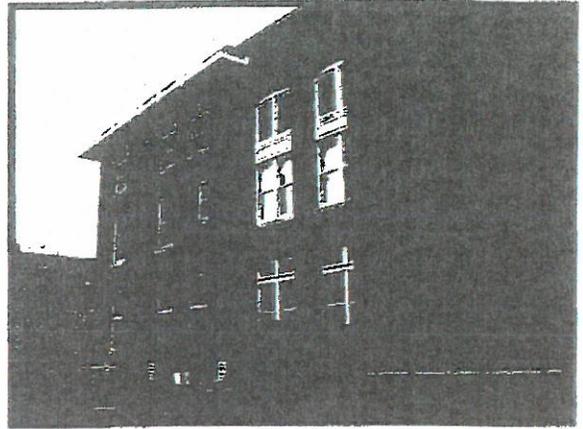
The West 115' of Lot 1 and 2, Block 30, Original City of Little Rock, Pulaski County, Arkansas.

EXHIBIT "B"

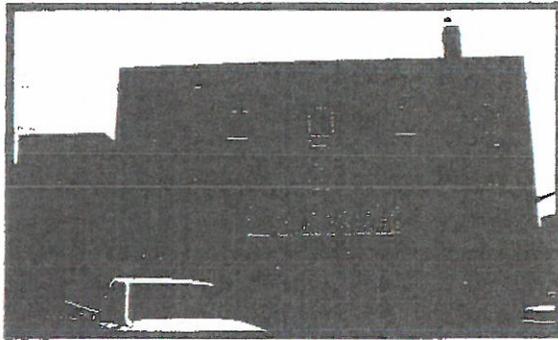
200417



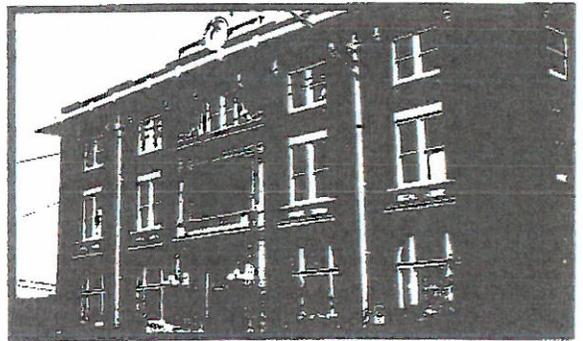
North Elevation



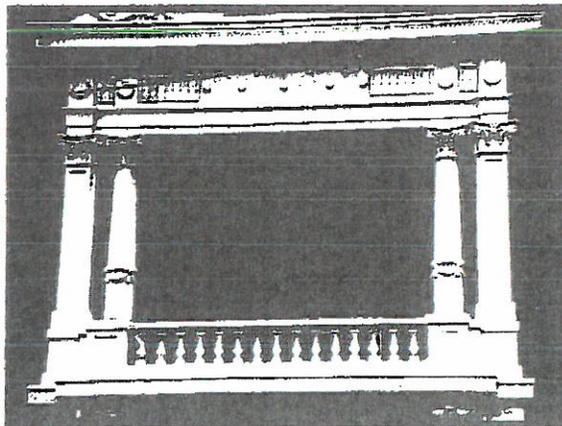
South Elevation



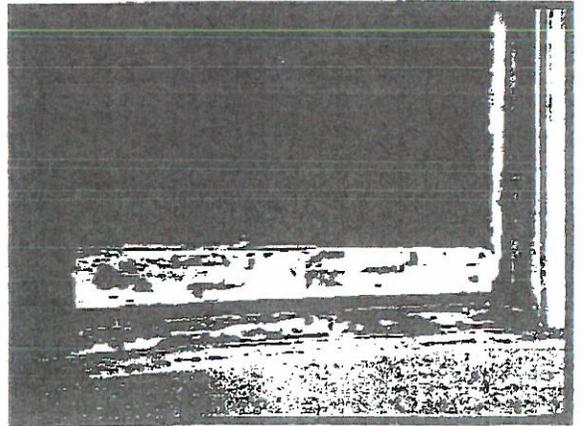
East Elevation



West Elevation



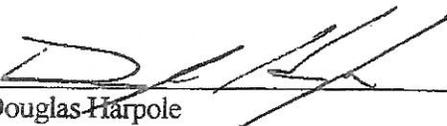
Loggia at West Elevation



Window at South Elevation

AFFIDAVIT VERIFYING PHOTOGRAPHS

- 1. My name is Douglas Harpole. I am employed by East Harding, Inc.
- 2. On August 15, 2002, I took the attached digital photographs of the Junior League of Little Rock, Inc.'s building located at 401 South Scott Street, Little Rock, Arkansas 72201. An accurate identification of each picture is located underneath the individual photograph.
- 3. I have full and complete knowledge of the facts contained herein.



 Douglas Harpole

ACKNOWLEDGMENT

STATE OF ARKANSAS)
)ss:
 COUNTY OF PULASKI)

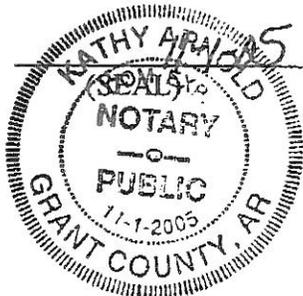
On this 27th day of January, 2003, before me, a notary public, personally appeared Douglas Harpole, who acknowledged himself to me and executed the foregoing instrument for the consideration and purposes therein contained.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 27th day of January, 2003.



 Notary Public

My Commission Expires:



200419

EXHIBIT "D"

MINIMUM MAINTENANCE STANDARDS

Women's City Club is subject to the building code requirements of the City of Little Rock, Arkansas.

AFFIDAVIT OF EXISTING LIENS
AND ENCUMBRANCES

Anne Goodman Massey, President of the Junior League of Little Rock, Inc. ("JLLR"), and Allison Ingram, Treasurer of the JLLR, state on oath that the JLLR is the owner of the following described lands in Pulaski County, Arkansas.

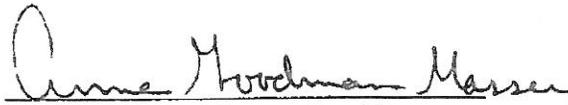
401 South Scott Street, Little Rock, Arkansas 72201, more particularly described as the West 115' of Lot 1 and 2, Block 30, Original City of Little Rock, Pulaski County, Arkansas

Affiants state on oath that at no time after the 1st day of November, 2001, has any mechanic, builder, artisan, workman, laborer or other person, firm, or corporation done or performed any work upon the lands or any improvement thereon for which there has not been payment in full.

Affiants also state on oath that at no time after the 1st day of November, 2001, has any person, firm or corporation furnished any materials, engine, boiler, machinery, equipment or parts for any building or improvement upon the lands above described or for repairing the same for which there has not been payment in full.

The only exception to this Affidavit is a mortgage on the property with Delta Trust and Bank, P.O. Box 17607, Little Rock, AR 72222, filed and recorded in the real estate records of Pulaski County, Arkansas on November 1, 2001 as Instrument No. 2001085729 securing indebtedness in the approximate amount of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00).

The undersigned specifically state that they have full and complete knowledge of the facts about which this Affidavit is made.


Anne Goodman Massey, President


Allison Ingram, Treasurer

200421

ACKNOWLEDGMENT

STATE OF ARKANSAS)
)ss:
COUNTY OF PULASKI)

On this 22nd day of January, 2003, before me, a notary public, personally appeared Anne Goodman Massey and Allison Ingram, who acknowledged themselves to be the President and Treasurer of the Junior League of Little Rock, Inc., being authorized so to do, executed the foregoing instrument for the consideration and purposes therein contained.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 22nd day of January, 2003.

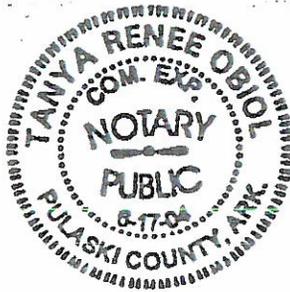


Notary Public

My Commission Expires:

6-17-04

(SEAL)



**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS AGREEMENT is made this day by and between the Junior League of Little Rock, Inc., with principal offices at 401 South Scott Street, Little Rock, Arkansas 72201 ("Grantor"), the City of Little Rock, Arkansas, with principal offices at 500 West Markham, Little Rock, Arkansas 72201 ("Grantee"), and Delta Trust & Bank, with an address at P.O. Box 17607, Little Rock, Arkansas 72222 ("Lender").

WITNESSETH:

WHEREAS, by execution of the Historic Preservation and Conservation Easement (hereinafter referred to as the "Easement"), which is attached hereto as Exhibit "1" and by this reference made a part hereof, the Grantor will grant to Grantee a historic preservation easement covering certain premises located in Pulaski County, Arkansas (the "Property"), a more particular description of which appears in Exhibit "2", attached hereto and by this reference made a part hereof; and

WHEREAS, the Property is encumbered by a mortgage filed and recorded in the real estate records of Pulaski County, Arkansas on November 1, 2001, as Instrument No. 2001085729 (the "Mortgage") in favor of Lender and securing indebtedness in the approximate amount of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00); and

WHEREAS, Grantee and Lender desire hereby to establish certain rights, safeguards, obligations and priorities with respect to their respective interests by means of the following Subordination, Non-Disturbance and Attornment Agreement.

NOW THEREFORE, for and in consideration of the premises and the mutual covenants and promises herein contained, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Grantee and Lender agree as follows:

1. The Mortgage, the rights of Lender thereunder, and all advances made or to be made thereunder, to the full extent of the principal sum and interest thereon from time to time secured thereby, and to any renewal, substitution, extension, modification and replacement thereof, including any increase in the indebtedness secured thereby or any supplements thereto, are and shall be subject and subordinate to the Easement and the rights of Grantee thereunder, and to all of the terms, conditions and provisions thereof. In the event that Lender or any other person acquires any title to the Property pursuant to the exercise of any remedy provided for in the Mortgage or by reason of the acceptance of a deed in lieu of foreclosure (the Lender, any other such person and their participants, successors and assigns being collectively referred to as the "Purchaser"), Grantee covenants and agrees to attorn to and recognize and be bound to Purchaser as the new owner of the Property, but the Easement shall continue in full force and effect as if granted to Grantee by Purchaser, and, notwithstanding anything to the contrary herein or in the Mortgage, the provisions of the Easement will continue to run with the land unaffected by the conveyance to Purchaser.

2. Lender agrees that so long as the Easement is of record:
 - a. the rights of Grantee in and to the Property shall not be terminated or disturbed by any steps or proceedings taken by Lender in the exercise of any of its rights under the Mortgage or the indebtedness secured thereby;
 - b. the easement shall not be terminated or affected by said exercise of any remedy provided for in the Mortgage, and Lender hereby covenants that any sale by it of the Property pursuant to the exercise of any rights and remedies under the Mortgage or otherwise, shall be made subject to the Easement and the rights of Grantee thereunder.

3. In no event shall Lender or any other Purchaser be liable for any act or omission of Grantor or any prior owner.

4. The agreements herein contained shall be binding upon and shall inure to the benefit of the parties hereto, their respective participants, successors, and assigns, and, without limiting such, the agreements of Lender shall specifically be binding upon any Purchaser of the Property at foreclosure or other sale taken pursuant to the Mortgage.

5. This Agreement may not be modified other than by an agreement in writing signed by the parties hereto or their respective successors.

6. This Agreement may be signed in counterparts.

7. If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remaining terms and provisions hereof shall not be affected thereby, but each term and provision hereof shall be valid and enforceable to the fullest extent permitted by law.

8. This Agreement shall be governed by Arkansas law.

//
//
//
//
//
//
//
//
//
//
//

200424

IN WITNESS WHEREOF, Grantee, Grantor and Lender have caused this instrument to be executed on this 6th day of ~~January~~ February, 2003.

GRANTEE:

CITY OF LITTLE ROCK, ARKANSAS



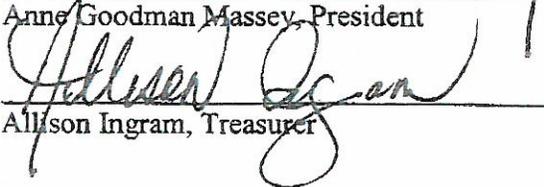
Bruce Moore, City Manager

GRANTOR:

JUNIOR LEAGUE OF LITTLE ROCK, INC.



Anne Goodman Massey, President



Allison Ingram, Treasurer

LENDER:

DELTA TRUST & BANK



Carroll Penick, President

ACKNOWLEDGMENT

STATE OF ARKANSAS)
)ss:
COUNTY OF PULASKI)

On this 24th day of January, 2003, before me, a notary public, personally appeared Carroll Penick, who acknowledged himself to be the President of Delta Trust & Bank, an Arkansas banking corporation, and that he, as President, being authorized so to do, executed the foregoing instrument for the consideration and purposes therein contained.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 24th day of January, 2003.

Misty Dawn Terrell
Notary Public

My Commission Expires:
June 24, 2011
(SEAL)



ACKNOWLEDGMENT

STATE OF ARKANSAS)
)ss:
COUNTY OF PULASKI)

On this 29th day of January, 2003, before me, a notary public, personally appeared Anne Goodman Massey and Allison Ingram, who acknowledged themselves to be the President and Treasurer of the Junior League of Little Rock, Inc., being authorized so to do, executed the foregoing instrument for the consideration and purposes therein contained.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 29th day of January, 2003.

Betty K. Peden
Notary Public

My Commission Expires:

4-25-11

(SEAL)



ACKNOWLEDGMENT

STATE OF ARKANSAS)
)ss:
COUNTY OF PULASKI)

On this 16th day of ~~January~~ ^{Feb.}, 2003, before me, a notary public, personally appeared Bruce Moore, who acknowledged himself to be the City Manager of the City of Little Rock, an Arkansas banking corporation, and that he, as City Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Nancy Wood
Notary Public

My Commission Expires:

2-15-10
(SEAL)

