

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF ARKANSAS
LITTLE ROCK DIVISION**

UNITED STATES OF AMERICA

PLAINTIFF

v.

CASE NO. 4:09CV00353 BSM

**LORI A. MOSBY,
T.M., a minor,
CHANGE YOUR LIFE, INC.,
MELVIN LACEY, and
STATE OF ARKANSAS**

DEFENDANTS

ORDER OF SALE

Final judgment was entered on March 21, 2011, ordering that the federal tax liens be enforced and that the subject property be sold pursuant to 28 U.S.C. § 2001.

The subject property ("Property"), and the land with the buildings thereon, located at 3715 W.13th Street, Little Rock, Arkansas and described as

Lot 4, Block 8, W. B. Worthen's Addition to the City of Little Rock, Pulaski County, Arkansas, as shown on plat recorded in Plat Book 1, Page 21, records of Pulaski County, Arkansas

is hereby ordered to be sold under title 28, United States Code, sections 2001 and 2002, to satisfy or partially satisfy Lori A. Mosby's tax liabilities for 2002, 2003, 2004, and 2005, as follows:

1. The Internal Revenue Service ("IRS") Property Appraisal and Liquidation Specialists ("PALS"), is authorized to offer for public sale and to sell the Property.
2. The terms and conditions of the sale are as follows:

- a. The sale of the Property shall be free and clear of the interests of Lori Mosby T.M., Change Your Life, Inc., Melvin Lacey and all parties in the suit;
- b. The sale shall be subject to building lines, if established, all laws, ordinances, and governmental regulations (including building and zoning ordinances) affecting the Property, and easements and restrictions of record, if any;
- c. The sale shall be held either at the courthouse of the county or city in which the Property is located or on the Property's premises;
- d. The PALS shall announce the date and time for sale;
- e. Notice of the sale shall be published once a week for at least four consecutive weeks before the sale in at least one newspaper regularly issued and of general circulation in Pulaski County, Arkansas and, at the discretion of the PALS, by any other notice that the PALS deems appropriate. The notice shall contain a description of the property and shall contain the terms and conditions of sale in this order of sale;
- f. The PALS shall set the minimum bid. If the minimum bid is not met or exceeded, the PALS may, without further permission of this Court, and under the terms and conditions in this order of sale, hold a new public sale, if necessary, and reduce the minimum bid;
- g. At the time of the sale, the successful bidder(s) shall deposit with the PALS, by money order or by certified or cashier's check payable to the Clerk

of the United States District Court for the Eastern District of Arkansas, a deposit in an amount between five (5) and twenty (20) percent of the minimum bid as specified by the PALS in the published Notice of Sale. Before being permitted to bid at the sale, potential bidders shall display to the PALS proof that they are able to comply with this requirement. No bids will be accepted from any person(s) who have not presented proof that, if they are the successful bidders(s), they can make the deposit required by this order of sale;

h. The successful bidder(s) shall pay the balance of the purchase price for the Property within sixty (60) days following the date of the sale. The certified or cashier's check payable to the United States District Court for the Eastern District of Arkansas shall be given to PALS who will deposit the funds with the clerk of this Court. If the bidder fails to fulfill this requirement, the deposit shall be forfeited and shall be applied to cover the expenses of the sale, with any amount remaining to be applied to the tax liabilities of Lori Mosby at issue herein. The Clerk shall distribute the deposit as directed by the PALS by check made to the "United States Treasury." The Property shall be again offered for sale under the terms and conditions of this order of sale or, in the alternative, sold to the second highest bidder;

i. The clerk's office is directed to accept the proceeds of the sale and deposit it into the registry for distribution pursuant to further order;

j. The sale of the Property shall be subject to confirmation. On confirmation of the sale, the Internal Revenue Service shall execute and deliver its deed conveying the Property to the purchaser. On confirmation of the sale, all interests in, liens against, or claims to, the Property that are held or asserted by all parties to this action are discharged and extinguished;

k. When the sale is confirmed, the Recording Official of Pulaski County, Arkansas, shall cause transfer of the Property to be reflected upon that county's register of title. The successful bidder at the sale shall pay, in addition to the amount of the bid, any documentary stamps and clerk's registry fees as provided by law;

l. The sale of the Property is ordered pursuant to 28 U.S.C. § 2001, and is made without right of redemption.

3. Until the Property is sold, Lori Mosby shall take all reasonable steps necessary to preserve the Property (including all buildings, improvements, fixtures and appurtenances on the property) in its current condition including, without limitation, maintaining a fire and casualty insurance policy on the Property. She shall neither commit waste against the Property nor cause or permit anyone else to do so. She shall neither do anything that tends to reduce the value or marketability of the Property nor cause or permit anyone else to do so. She shall not record any instruments, publish any notice, or take any other action (such as running newspaper advertisements, posting signs, or making internet postings) that may directly or indirectly tend to adversely affect the value of the Property or that may tend to

deter or discourage potential bidders from participating in the public auction, nor shall they cause or permit anyone else to do so.

4. All persons occupying the Property shall vacate the Property permanently within 30 days of the date of this order, each taking with them his or her personal property (but leaving all improvements, buildings, fixtures, and appurtenances to the Property). If any person fails or refuses to vacate the Property by the date specified in this Order, the PALS are authorized to coordinate with the United States Marshal to take all actions that are reasonably necessary to have those persons ejected. Any personal property remaining on the Property 30 days after the date of this order is deemed forfeited and abandoned, and the PALS are authorized to dispose of it in any manner they see fit, including sale, in which case the proceeds of the sale are to be applied first to the expenses of sale and the balance to be paid into the Court for further distribution. Checks for the purchase of the personal property shall be made out to the Clerk of the Court for the Eastern District of Arkansas and the Clerk is directed to accept these checks and deposit them into the Court's registry for distribution pursuant to further order.

5. No later than two business days after vacating the Property pursuant to the deadline set forth in paragraph 4 above, Lori Mosby shall notify counsel for the United States of a forwarding address where she can be reached. Notification shall be made by contacting the paralegal for the United States, Marion Goyette, at (202) 514-6674.

6. The State of Arkansas Commissioner of State Lands has a superior lien and must submit to the Court evidence of the amount of its claim within 45 days from the entry of this order.

7. Pending the sale of the Property and until the deed to the Property is delivered to the successful bidder, the PALS is authorized to have free access to the premises in order to take any and all actions necessary to preserve the Property, including, but not limited to, retaining a locksmith or other person to change or install locks or other security devices on any part of the Property.

8. After the sale is confirmed, the proceeds deposited with the clerk's office should be applied to the following items, in the order specified:

- a. First, to the PALS for the expenses of the sale, including any expenses incurred to secure or maintain the property pending sale and confirmation;
- b. Second, to the State of Arkansas Commissioner of State Lands for payment of delinquent real estate taxes payable in 2005, 2006, 2007, 2008 and 2009;
- c. Third, to Pulaski County, or other local taxing authority, for current real property taxes and other local assessments due and owing;
- d. Fourth, the remaining proceeds shall be distributed to the plaintiff United States of America for application to the unpaid federal tax assessments made against the defendant, Lori Mosby, for the tax periods for 2002, 2003, 2004, and 2005, including all accrued statutory penalties, additions, and interest, until fully paid;

e. Any further remaining sale proceeds shall be held in the registry pending further order.

IT IS SO ORDERED this 21st day of April, 2011.


UNITED STATES DISTRICT JUDGE