



1099 November Drive )  
 Cupertino, CA 95014 )  
 )  
 SSRRW, LLC )  
 Serve: Legalinc Corporate Services Inc. )  
 3800 American Blvd. West )  
 Suite 1500 #300-030 )  
 Bloomington, MN 55431 )  
 )  
 PBARKE LLC )  
 Serve: Legalinc Corporate Services Inc. )  
 1102 Douglas St. )  
 Omaha, NE 68102 )  
 )  
 Defendants. )  
 \_\_\_\_\_ )

**VERIFIED PETITION**

**COMES NOW** CoreFirst Bank & Trust (“CoreFirst”) by and through its attorneys Riordan, Fincher & Mayo, P.A. and, for its causes of action against Defendants ARK Capital Brookside, LLC (“ARK Capital”), SHIBA Prop Limited Liability Company (“SHIBA”), Anand Karney, Sudha Karney, Amogh Karney, Pranay Bajjuri, Nirmal Gorla, Sathwik Madishetti, Terraland Holdings, LLC, SSRRW, LLC, and PBARKE LLC states as follows:

**NATURE OF THE CASE**

1. On May 27, 2022, CoreFirst made a loan to ARK Capital and SHIBA in the principal amount of \$2,900,000.00.
2. The loan was secured by a Deed of Trust dated May 27, 2022 in the amount of \$2,900,000.00 on real property owned by ARK Capital and located at 1602 Brookside Dr., St. Joseph, MO 64508 and an Assignment of Rents dated May 27, 2022. The Deed of Trust and Assignment of Rents were properly recorded in Buchanan County, Missouri on May 31, 2022.

3. In connection with the loan made to ARK Capital and SHIBA, Defendants Anand Karney, Sudha Karney, and Amogh (collectively the “Guarantors”) executed guarantees, whereby they personally guaranteed the debts owed by ARK Capital and SHIBA to CoreFirst.

4. On September 15, 2022, Pranay Bajjuri recorded a Notice of Lis Pendens with the Buchanan County, Missouri Recorder of Deeds, wherein Defendants Bajjuri, Gorla, Madishetti, Terraland Holdings, LLC, SSRRW, LLC and PBARKE LLC (collectively the “Lis Pendens Defendants”) asserted an interest in the property based upon a civil lawsuit that was, and remains, pending in District Court of Douglas County, Nebraska.

5. The real property securing the loan consists of a multiunit apartment complex, which is an ongoing business as of the time of the filing of this Verified Petition.

#### **PARTIES**

6. CoreFirst is and at all times herein mentioned was, a state banking organization duly authorized and existing under the laws of the state of Kansas, with its principal place of business located at 3035 S. Topeka Blvd., Topeka, Kansas 66611.

7. ARK Capital is and at all times herein mentioned was, a limited liability company duly authorized and existing under the laws of the state of Nebraska, with its principal place of business located at 3913 S 184th Street Omaha, Nebraska 68130.

8. SHIBA is, and at all times herein mentioned was, a limited liability company duly authorized and existing under the laws of the state of Nebraska, with its principal place of business located at 3913 S 184th Street Omaha, Nebraska 68130.

9. Anand Karney is an individual residing at 3913 S. 184<sup>th</sup> St., Omaha, Nebraska, 68130.

10. Sudha Karney is an individual residing at 3913 S. 184<sup>th</sup> St., Omaha, Nebraska, 68130.

11. Amogh Karney is an individual residing at 8901 Mission Road, Leawood, Kansas 66206.

12. Prinay Bajjuri is an individual residing at 4362 East Kingston Circle, Bettendorf, Iowa, 52722.

13. Nirmal Gorla is an individual residing at 10158 Ridgeway Drive, Cupertino, California, 95014.

14. Sathwik Madishetti is an individual residing at 8685 Magnolia Trail, Apartment 306, Edin Prairie, Minnesota, 55423.

15. Terraland Holdings LLC is and at all times herein mentioned was, a limited liability company duly authorized and existing under the laws of the State of California, with its principal place of business located at 1099 November Dr. Cupertino, CA 95014 and may be served with process by serving its resident agent, Kiran K. Thota, at the same address.

16. SSRRW, LLC is and at all times herein mentioned was, a limited liability company duly authorized and existing under the laws of the State of Minnesota, with its principal place of business located at 4672 Bulrush Blvd. Shakopee, Minnesota 55379 and may be served with process by serving its resident agent, Legalinc Corporate Services Inc., at 3800 America Blvd. West Suite 1500 #300-030 Bloomington, MN 55431.

17. PBARKE LLC is and at all times herein mentioned was, a limited liability company duly authorized and existing under the laws of the State of Nebraska, with its principal place of business located at 3913 S 184th Street Omaha, NE 68130 and may be served with process by

serving its resident agent, Legalinc Corporate Services Inc., at 1102 Douglas St. Omaha, NE 68102.

18. To the best of CoreFirst's knowledge and belief, no person having any ownership interest in the real estate that is the subject of this proceeding is now, or at any time within three months prior hereto, in the military service of the United States or any of its allies, nor is any such person in any way entitled to the benefits and protections of the Service Members Civil Relief Act, as amended.

### **JURISDICTION AND VENUE**

19. This Court has jurisdiction over the subject matter of this dispute, and venue is proper in this Court pursuant to Mo. Rev. Stat. § 508.030.

### **GENERAL ALLEGATIONS**

20. On May 27, 2022, for value received and in consideration of a loan made by CoreFirst in the amount of \$2,900,000.00 plus interest, ARK Capital and SHIBA made, executed, and delivered to CoreFirst a promissory note, in writing, and by the terms of which promised and agreed to pay said sum as set forth in said note. A copy of the promissory note ("Note") is attached hereto incorporated herein and identified as **Exhibit A**.

21. To secure payment of the Note, ARK Capital made, executed, acknowledged, and delivered unto CoreFirst, its certain Deed of Trust thereby granting, bargaining, selling, and conveying unto CoreFirst all the following described real estate owned by ARK Capital in fee simple, situated in Buchanan County, Missouri, to wit:

PART OF LOTS NINETEEN (19) AND (20), BROOKSIDE ADDITION, AN ADDITION TO THE CITY OF ST. JOSEPH BUCHANAN COUNTY MISSOURI, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 20 BROOKSIDE ADDITION, THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 20 A DISTANCE OF 245.17 FEET TO THE SOUTHEAST CORNER OF SAID LOT

20, SAID CORNER BEING ON THE WEST LINE OF BROOKSIDE DRIVE AS NOW DEDICATED; THENCE NORTHERLY ALONG THE EASTERLY LINE OF SAID LOTS 20 AND 19 AND THE WESTERLY LINE OF BROOKSIDE DRIVE, A DISTANCE OF 139.77 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 19 THAT IS 30.47 FEET NORTHERLY FROM THE SOUTH CORNER SAID LOT 19, MEASURED ALONG THE EASTERLY LINE OF SAID LOT THENCE NORTH 69 DEGREES 30 MINUTES A DISTANCE OF 42.17 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 19 THAT IS 48.44 FEET NORTHWESTERLY FROM SOUTH CORNER OF SAID LOT, MEASURED ALONG SOUTHWESTERLY LINE,. SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF SAID LOT 20; THENCE NORTH 31 DEGREES MINUTES WEST, ALONG THE NORTHEASTERLY LINE OF SAID LOT 20, A DISTANCE OF 273.06 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH THE NORTH LINE OF SAID BROOKSIDE ADDITION AND 254.01 FEET SOUTH THEREOF; THENCE WEST ALONG SAID LINE A OF 105.05 FEET TO WEST LINE OF SAID LOT 20; THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 20 A DISTANCE OF 386.14 FEET TO THE POINT OF BEGINNING.

Commonly known as 1602 Brookside Dr., St. Joseph, Missouri 64506 (the "Property").

Said Deed of Trust has been filed for record in the office of the Recorder of Deeds of Buchanan County, Missouri on May 31, 2022, in Book 3776, Page 589. A copy of the Deed of Trust is attached hereto incorporated herein and identified as **Exhibit B**.

22. In addition to the Deed of Trust, ARK Capital executed an assignment of rents for the Property, which was dated May 27, 2022 and recorded on May 31, 2022, in the office of the Recorder of Deeds of Buchanan County, Missouri in Book 3776, Page 590, wherein ARK Capital assigned to CoreFirst all of ARK Capital's right, title, and interest in and to any rents, as is more specifically defined in the assignment, from the Property (the "Assignment of Rents"). A copy of the assignment of rents is attached hereto, incorporated herein, and identified as **Exhibit C**.

23. ARK Capital was at the time of the making, execution, and delivery of said Deed of Trust the absolute owner of the Property, free and clear of any other encumbrances. At the time of filing of the Deed of Trust in the office of the Recorder of Deeds of Buchanan County, Missouri,

all recording and registration fees were paid in full, and said filing was prior to the acquisition by any person herein of any right, title, interest, estate, equity or lien in and to said Property.

24. The Note and Deed of Trust specifically provide that if any payment on the Note shall not be paid when due; or if Defendants shall permit any taxes or assessments on the Property to become delinquent; or if Defendants shall fail to keep the buildings and improvements insured as provided in the Deed of Trust, or shall apply the proceeds of the loan to substantially different purposes from those for which it was obtained, or shall willfully or by neglect permit any unreasonable depreciation in the value of the premises or the buildings and improvements thereon, or shall sell, convey, remove, or permit to be removed from the premises any of the buildings or improvements, or shall fail to keep and perform all and singular the covenants, conditions, and agreements contained in the Deed of Trust; then the whole Note secured thereby shall, at the option of the beneficiary named in the Deed of Trust, become immediately due and payable and the Deed of Trust subject to foreclosure; and CoreFirst is the owner and holder of title to the Note and Deed of Trust and the indebtedness secured thereby.

25. On May 27, 2022, Anand Karney executed a Commercial Guaranty in favor of CoreFirst whereby he absolutely and unconditionally guaranteed full and punctual payment and satisfaction of all indebtedness of SHIBA and ARK Capital to CoreFirst. A copy of said Commercial Guaranty is attached hereto as **Exhibit D**.

26. On May 27, 2022, Sudha Karney executed a Commercial Guaranty in favor of CoreFirst whereby she absolutely and unconditionally guaranteed full and punctual payment and satisfaction of all indebtedness of SHIBA and ARK Capital to CoreFirst. A copy of said Commercial Guaranty is attached hereto as **Exhibit E**.

27. On May 27, 2022, Amogh Karney executed a Commercial Guaranty in favor of CoreFirst whereby he absolutely and unconditionally guaranteed full and punctual payment and satisfaction of all indebtedness of SHIBA and ARK Capital to CoreFirst. A copy of said Commercial Guaranty is attached hereto as **Exhibit F**.

28. The Note, Deed of Trust, Assignment of Rents, and guaranties executed by the Guarantors (Exhibits A-F) shall be collectively referred to as the “Loan Documents.”

29. ARK and SHIBA failed to satisfy a payment due on July 27, 2022 in the amount of \$20,234.90.

30. As a result of the failure to satisfy the payment due on July 27, 2022, CoreFirst accelerated the maturity of the Note effective August 19, 2022, rendering the full amount of the Note due and owing immediately.

31. The amount due on the Note, as of May 1, 2023, was \$3,170,911.01. In addition to the amount due, CoreFirst is entitled to collect accruing interest at the rate of 18% per annum, as well as all costs and fees incurred by CoreFirst in enforcing the Loan Documents, including, but not limited to, reasonable attorney’s fees, as allowed by the Loan Documents.

32. On August 26, 2022, CoreFirst, ARK Capital, SHIBA and the Guarantors (collectively the “Borrowers”) executed a Forbearance Agreement (the “Forbearance Agreement”), a copy of which is attached hereto as **Exhibit G**.

33. In exchange for the consideration set forth more fully in the Forbearance Agreement, and upon terms set forth more fully in the Forbearance Agreement, CoreFirst agreed to provide the Borrowers a reasonable period of time not to exceed six (6) months to pay the amount due on the Note in full; and CoreFirst further agreed to suspend, forego and forbear pursuing any remedies available to it under the Loan Documents and applicable law, during said

six month period, provided the Borrowers did not breach any term or requirement of the Forbearance Agreement.

34. Borrowers failed to pay the full amount due on the Note within the six months allowed under the Forbearance Agreement.

35. On February 26, 2023, CoreFirst and the Borrowers executed a Forbearance Agreement Amendment (the “Forbearance Agreement Amendment”), a copy of which is attached hereto as **Exhibit H**.

36. In exchange for the consideration set forth more fully in the Forbearance Agreement Amendment, and upon terms set forth more fully in the Forbearance Agreement Amendment, CoreFirst agreed to provide Borrowers additional time not to exceed six (6) months to pay the amount due on the Note in full; and CoreFirst further agreed to suspend, forego and forbear pursuing any remedies available to it under the Loan Documents and applicable law, during said six month period, provided the Borrowers did not breach any term or requirement of the Forbearance Agreement Amendment.

37. Borrowers have an ongoing duty pursuant to Paragraph 12 of the Forbearance Agreement Amendment to provide revised and updated rent rolls to CoreFirst on each Friday and the failure to provide said rent rolls constitutes an event of default under the Forbearance Agreement Amendment.

38. Borrowers failed to provide the required rent roll to CoreFirst on Friday, March 10, 2023, which constituted an event of default under the Forbearance Agreement Amendment.

39. CoreFirst notified Borrowers of the default on March 11, 2023, triggering a five-day cure period pursuant to Paragraph 15 of the Forbearance Agreement Amendment.

40. Borrowers timely cured the default caused by their failure to provide the March 10, 2023 rent rolls.

41. On April 28, 2023, CoreFirst learned that Borrowers were failing to immediately surrender to CoreFirst all rents collected from tenants on behalf of CoreFirst pursuant to the Assignment of Rents, as required in Paragraph 11 of the Forbearance Agreement Amendment.

42. CoreFirst has also determined that on at least one occasion, ARK Capital provided a weekly rent roll to CoreFirst that did not accurately reflect the rents received by ARK Capital, in that numerous rent payments that were made in cash were not document or included in the rent roll provided to CoreFirst.

43. Borrowers' failure to immediately surrender rents to CoreFirst and Borrowers failure to provide accurate and updated rent rolls to CoreFirst on a weekly basis constitute a breach of the Forbearance Agreement Amendment.

44. Based upon Borrowers' breach of the Forbearance Agreement Amendment, CoreFirst is entitled to pursue any action to enforce the Loan Documents. Further, because Borrowers previously breached the Forbearance Agreement Amendment on March 10, 2023, and were given a five-day period to cure said breach, as set forth in Paragraphs 38 through 40, above, Borrowers are not entitled to a cure period for these subsequent breaches pursuant to the express language of Paragraph 15 of the Forbearance Agreement Amendment.

45. Therefore, CoreFirst is no longer contractually bound under the Forbearance Agreement or Forbearance Agreement Amendment to suspend, forego and forbear pursuing any remedies available to it under the Loan Documents and applicable law.

46. Pursuant to the terms of the Deed of Trust, CoreFirst has the right to have a receiver appointed to take possession of all or any part of the Property. CoreFirst is filing a Motion for Appointment of Receiver contemporaneous with the filing of this Verified Petition.

47. On September 15, 2022, Pranay Bajjuri recorded a Notice of Lis Pendens with the Buchanan County, Missouri Recorder of Deeds, wherein the Lis Pendens Defendants assert an interest in the Property based upon a civil lawsuit that was, and remains, pending in District Court of Douglas County, Nebraska (the "Nebraska Case").

48. At the time the Notice of Lis Pendens was recorded, ARK Capital was not a named defendant in the Nebraska Case.

49. The Nebraska Case seeks monetary damages against numerous defendants, including ARK Capital, but is not based on any equitable right, claim, or lien affecting or designed to affect the Property.

**COUNT I – BREACH OF CONTRACT  
(Defendants ARK Capital and SHIBA)**

50. CoreFirst incorporates the allegations set forth in paragraphs 1 through 49 of its Petition above, as if set forth more fully herein.

51. Payments have not been made as required on the Note and ARK Capital and SHIBA are in default.

52. Because CoreFirst exercised its right under the Note to accelerate the balance due on the Note, the full balance is now due and owing.

53. As of May 1, 2023, \$3,170,911.01 is owing under the Note, with interest continuing to accrue thereafter at the rate of 18.00% per annum, plus costs and expenses incurred by CoreFirst, including, but not limited to, the cost of filing, attorney fees, and all other costs and expenses incurred in connection with the loan documents. Such costs and expenses include any sums which

may be incurred for the payment of taxes, insurance, examination of real estate records, obtaining of foreclosure reports or other real estate title reports, and any additional costs or expenses incurred by CoreFirst and chargeable under the terms of the loan documents, including costs and expenses associated with the appointment of a receiver.

**WHEREFORE**, Plaintiff CoreFirst Bank & Trust prays that the Court enter judgment in favor of CoreFirst and against ARK Capital Brookside LLC and SHIBA Prop Limited Liability Company as to Count I, awarding (a) the amount of \$3,170,911.01; (b) interest that accrues on the principal balance of the Loan at the rate of 18.00% per annum from May 1, 2023; (c) costs and expenses incurred by CoreFirst as allowed by the Loan Documents and applicable law, including, but not limited to, attorney's fees incurred in connection with enforcement or protection of its rights related to the Loan Documents; and (d) for such other relief as the Court deems just and equitable.

**COUNT II – BREACH OF CONTRACT  
(Guarantors)**

54. CoreFirst incorporates the allegations set forth in paragraphs 1 through 53 of its Petition above, as if set forth more fully herein.

55. As set forth above, the Guarantors each executed Commercial Guaranties whereby they guaranteed full and punctual payment and satisfaction of debts incurred by ARK Capital and SHIBA related to the Note.

56. As set forth in Count I, the Note is in default and Guarantors are obligated under their Commercial Guaranties to make payment to CoreFirst due under the note. CoreFirst is also entitled to all costs and expenses incurred in enforcing the Commercial Guaranties, including reasonable attorney fees.

**WHEREFORE**, Plaintiff CoreFirst Bank & Trust prays that the Court enter judgment in favor of CoreFirst and against Anand Karney, Sudha Karney, and Amogh Karney as to Count II, awarding (a) the amount of \$3,170,911.01; (b) interest that accrues on the principal balance of the Loan at the rate of 18.00% per annum from May 1, 2023; (c) costs and expenses incurred by CoreFirst as allowed by the Loan Documents and applicable law, including, but not limited to, attorney's fees incurred in connection with enforcement or protection of its rights related to the Loan Documents; and (d) for such other relief as the Court deems just and equitable.

**COUNT III –FORECLOSURE OF DEED OF TRUST  
(ARK Capital and Lis Pendens Defendants)**

57. CoreFirst incorporates the allegations set forth in paragraphs 1 through 56 of its Petition above, as if set forth more fully herein.

58. The Deed of Trust is in default and should be forthwith foreclosed as provided by law; the amounts due CoreFirst under the Note should be decreed a first and otherwise prior lien on the Property, subject only to any unpaid real estate taxes owing to the respective counties.

59. The Notice of Lis Pendens recorded on September 15, 2022 by Pranay Bajjuri, which asserted an interest in the Property on behalf of the Lis Pendens Defendants, is improper under Missouri law and the Lis Pendens Defendants have no right, title, interest, claim or lien in or to the Property.

60. To the extend the Lis Pendens Defendants do have a right, title, interest, claim or lien in or to the Property, said right, title, interest, claim or lien is junior and inferior to the rights of CoreFirst.

61. This action is brought against ARK Capital and the Lis Pendens Defendants to bar them from claiming any right, title, interest, claim, or lien in or to the Property.

62. CoreFirst states that whatever right, title, interest, claim, or lien which the ARK Capital or the Lis Pendens Defendants have or claim to have, whether known or unknown to CoreFirst, in or to the Property, is junior and inferior to the rights of CoreFirst; and that the Defendants should be forever barred from claiming any right, title, interest, claim, or lien in or to the Property adverse to CoreFirst, as set forth herein.

63. CoreFirst is entitled to a judgment determining that the Deed of Trust is a valid, first priority lien on the Property and that any interest that ARK Capital or the Lis Pendens Defendants may have in the Property is subordinate, junior, and inferior to CoreFirst's interest pursuant to the Deed of Trust.

64. CoreFirst reserves all its rights to amend or supplement this petition, including but not limited to naming additional parties who may claim an interest in the Property.

**WHEREFORE**, Plaintiff CoreFirst Bank & Trust prays that the Court enter judgment in favor of CoreFirst and against ARK Capital and the Lis Pendens Defendants as to Count III declaring that CoreFirst's Deed of Trust is a first and prior lien upon the Property; that the lien be foreclosed; that the Property be ordered sold according to law for the satisfaction of the money judgment awarded pursuant to Count I or any balance remaining unpaid upon thereon; that ARK Capital and the Lis Pendens Defendants and all persons claiming under them be barred and foreclosed from all rights, claims, or interests in the Property encumbered by the Deed of Trust; and for such further relief that the Court deems just and equitable.

**COUNT IV – APPOINTMENT OF LIMITED RECEIVER  
(ARK Capital)**

65. CoreFirst incorporates the allegations set forth in paragraphs 1 through 64 of its Petition above, as if set forth more fully herein.

66. Concurrently filed with this Verified Petition, CoreFirst has filed its Application for Appointment of a Receiver.

67. Pursuant to the Missouri Commercial Receivership Act (“MCRA”), the Court has the power to appoint a limited receiver to keep and preserve property pending any legal or equitable action in which the party seeking appointment of a receiver has a lien on property or its revenue-producing potential and any of the following conditions exist: (1) the appointment of a receiver with respect to the property or its revenue-producing potential is necessary to keep and preserve the property or its revenue producing potential; (2) the appointment of the receiver with respect to the property or its revenue-producing potential is provided for by a valid and enforceable contract or contract provision; or (3) the appointment of a receiver is necessary to effectuate or enforce an assignment of rents or other revenues from the property.

68. CoreFirst has a lien on the Property pursuant to the Deed of Trust.

69. The appointment of a limited receiver over the property is necessary to keep and preserve the property and its revenue-producing potential in this matter.

70. ARK Capital contractually agreed in the Deed of Trust to the appointment of a receiver over the Property upon an event of default, which has occurred.

71. ARK Capital granted CoreFirst a valid and enforceable Assignment of Rents related to the Property, and the appointment of a receiver is necessary to effectuate and enforce said assignment.

72. Based on the foregoing, the appointment of a limited receiver for the Property is proper under MCRA and related Missouri law.

73. It is imperative that the Court immediately appoint a receiver to ensure that the Property is properly maintained and secured, to effectuate the Assignment of Rents executed in favor of CoreFirst, and to keep and preserve the Property.

**WHEREFORE**, Plaintiff CoreFirst Bank & Trust prays that the Court enter an order (a) appointing James MacLaughlin as limited receiver pursuant to the terms and conditions set forth in the Application for Appointment of Receiver, proposed Receivership Order, and under applicable law; (b) enter the proposed Receivership Order that is being filed concurrently with the Application for Appointment of Receiver; (c) awarding the reasonable attorneys' fees and expenses CoreFirst has incurred and will continue to incur to protect its rights under the Loan Documents; and (d) for such other relief as the Court deems just and equitable.

Respectfully Submitted,

/s/ Anna S. Meyer

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Attorneys for CoreFirst Bank & Trust

**VERIFICATION**

STATE OF KANSAS            )  
  ) ss:  
COUNTY OF SHAWNEE    )

I, David S. Fricke, represent that I have authority on behalf of CoreFirst Bank & Trust, to verify this pleading, and do state under oath that I have reviewed the statements contained herein, and believe to the best of my knowledge that they are true and correct based upon the information currently available to me.

\_\_\_\_\_  
David S. Fricke  
Executive Vice President & General Counsel  
CoreFirst Bank & Trust

SIGNED AND SWORN to before me on May 3, 2023.

  
\_\_\_\_\_  
*Notary Public*

My Appointment Expires:  
6-13-24

