

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

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APPEAL FROM YORK COUNTY  
Court of Common Pleas

S. Jackson Kimball, Master in Equity

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Case No. 2010-CP-46-4307

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James L Dennis and Enid Dennis

Appellants,

vs.

HSBC MORTGAGE SERVICES, INC.

Respondent.

**RECEIVED**

JUL 08 2013

**SC Court of Appeals**

**SUPPLEMENTAL RECORD ON APPEAL**

JAMES L. DENNIS  
ENID DENNIS  
Appellants Pro Se  
1015 Charlotte Avenue #141  
Rock Hills SC 29732  
Telephone Number: 803-931-4189

STATE OF SOUTH CAROLINA  
COUNTY OF YORK

IN THE COURT OF COMMON PLEAS  
C/A NO.: 2010-CP-46-4307  
**COPY**

HSBC Mortgage Services, Inc.,

Plaintiff,

vs.

James L. Dennis, Enid Dennis, and  
Stonewood Homeowners Association of  
York County, Inc.,

Defendant(s).

RECORD OF HEARING

(Non-Jury)

**FILED-RECEIVED**  
2012 MAR - 9 AM 9:01  
DAVID HAMILTON  
C.C.P. & G.S.  
YORK COUNTY, SC

(File No. 4018.13110)

Pursuant to the Order of Reference granted in the above titled case, a reference hearing was held on March 6, 2012 at 2:30 p.m., before the Honorable S. Jackson Kimball, as Master in Equity for York County.

Plaintiff is represented by Riley Pope & Laney, LLC. The following Defendant(s)/Person(s) appeared at the hearing: AKasha El Bey + Irvin El Bey

According to the Plaintiff's Affidavit of Debt, the Note and Mortgage are in default.

The original Lis Pendens was filed on October 1, 2010 and amended on October 6, 2010. Affidavits, Acceptance of Services, or Order of Publication are filed here and show that service of the Summons and Complaint was properly made upon all Defendant(s).

Pursuant to Rule 55(a), SCRCP, a Notice of Default showing the Defendant(s), and Stonewood Homeowners Association of York County, Inc. is in default; and that no individual Defendants in default are in the military service of the United States of America, as contemplated under the Servicemembers' Civil Relief Act, 50 U.S.C. § 501 et. seq. was or will be filed herein.

Plaintiff's attorney present or will present copies of the following Exhibit(s):

- a. Promissory Note(s)
- b. Mortgage(s)
- c. Assignment of Mortgage(s)
- d. Notice of Denial with Administrative Order 2011-05-02-01
- e. Attorney Certification with Administrative Order 2011-05-02-01
- f. Affidavit of Debt
- g. Affidavit of Attorney Fees
- h. Statement of Costs

Plaintiff established the total debt amount secured by the Note and Mortgage is \$247,233.40. Plaintiff established that the Note is in default for failure to make the March 1, 2010 payment and all subsequent payments.

Plaintiff is seeking the usual foreclosure of the purchase money first mortgage and has in the Complaint (or subsequently thereto in writing) waived the right to a personal or deficiency judgment.

Plaintiff asks that the Mortgage be foreclosed, that the property be sold at public auction in accordance with law, and that the sale be made subject to taxes and assessments, existing easements or restrictions, and any other senior encumbrances.

York, South Carolina  
March 6, 2012 at 2:30 p.m.

NOTE

Loan Number

NOVEMBER 30, 2006  
[Date]

ROCK HILL  
[City]

SOUTH CAROLINA  
[State]

COPY

1059 MILLHOUSE DRIVE, ROCK HILL, SOUTH CAROLINA 29730  
[Property Address]

True & Certified Copy

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$225,710.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is Decision One Mortgage Company, LLC. I will make all payments under this Note in the form of cash, check or money order.

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

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 8.36%.

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

3. PAYMENTS

(A) Time and Place of Payments

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

I will make my monthly payment on the 1ST day of each month beginning on JANUARY 1, 2007. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on DECEMBER 1, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 3023 HSBC Way, Fort Mill, South Carolina 29715 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$1,713.17.

4. BORROWER'S RIGHT TO PREPAY

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

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

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of FIFTEEN calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.0 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

(C) Notice of Default

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

(D) No Waiver By Note Holder

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

EXHIBIT  
A

(E) Payment of Note Holder's Costs and Expenses  
If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of my costs and expenses in enforcing this Note to the extent not prohibited by applicable law. These expenses include, for example, reasonable attorneys' fees.

**COPY**

**7. GIVING OF NOTICES**

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

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

**8. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

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

**9. WAIVERS**

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


**10. UNIFORM SECURED NOTE**

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

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

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

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

  
J. DENNIS (Seal)  
-Borrower

  
END DENNIS (Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

[Sign Original Only]

PAY TO THE ORDER OF

WITHOUT RECOURSE

DECISION ONE MORTGAGE COMPANY, LLC

BY: 

Alfred Mapp  
Asst. Secretary



True & Certified Copy

True & Certified Copy

After Recording Return To:

Decision One Mortgage Company, LLC  
3023 HSBC Way  
Fort Mill, South Carolina 29715

This instrument was prepared by

NOV 30 2006

[Space Above This Line For Recording Data]

Loan Number 2010061127380  
MIN: 100077910007141498

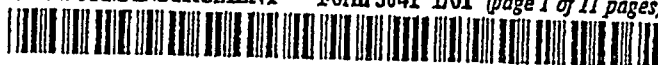
# MORTGAGE

## DEFINITIONS

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

- (A) "Security Instrument" means this document, which is dated **NOVEMBER 30, 2006**, together with all Riders to this document.
- (B) "Borrower" is **JAMES L DENNIS and ENID DENNIS**. Borrower is the mortgagor under this Security Instrument.
- (C) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the mortgagee under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.
- (D) "Lender" is **Decision One Mortgage Company, LLC**. Lender is a **LIMITED LIABILITY COMPANY** organized and existing under the laws of **NORTH CAROLINA**. Lender's address is **3023 HSBC WAY, FORT MILL, SOUTH CAROLINA 29715**.
- (E) "Note" means the promissory note signed by Borrower and dated **NOVEMBER 30, 2006**. The Note states that Borrower owes Lender **TWO HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED TEN AND 00/100ths Dollars (U.S.\$225,710.00)** plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **DECEMBER 1, 2036**.
- (F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
- (G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
- (H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

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



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- (I) "Applicable Law" means all controlling applicable federal, state and local laws, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
- (J) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
- (K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
- (L) "Escrow Items" means those items that are described in Section 3.
- (M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
- (N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
- (O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
- (P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. § 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.
- (Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

**TRANSFER OF RIGHTS IN THE PROPERTY**

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS the following described property located in the County of YORK:

[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

SEE ATTACHED SCHEDULE "A"

which currently has the address of 1059 MILLHOUSE DRIVE  
[Street]  
ROCK HILL, South Carolina 29730 ("Property Address"):  
[City] [Zip Code]



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TO HAVE AND TO HOLD this Property unto MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

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

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

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

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

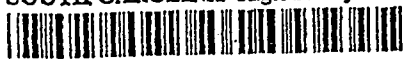
Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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

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

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

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance



premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

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

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

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True & Certified Copy

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

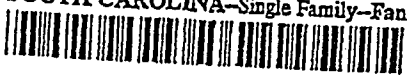
If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might not protect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

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

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

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

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



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

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

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

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

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

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

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



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

19. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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



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Neither Borrower nor Lender may commence, join, or be joined to any judicial action (whether an individual litigant or the member of a class) that arises from another party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

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

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

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

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

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

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

24. Homestead Waiver. Borrower waives all rights of homestead exemption in the Property to the extent allowed by Applicable Law.



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25. Waiver of Appraisal Rights. The laws of South Carolina provide that in a judicial estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within 30 days after the date of the mortgage property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. TO THE EXTENT PERMITTED BY LAW, THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY. This waiver shall not apply so long as the Property is used as a dwelling place as defined in § 12-37-250 of the South Carolina Code of Laws.

26. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to 150% of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

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

Signed, sealed and delivered in the presence of:

Chris A. Howard

Angie B. Newton

James L. Dennis (Seal)  
-Borrower

End Dennis (Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

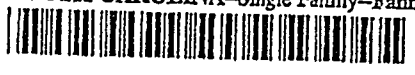
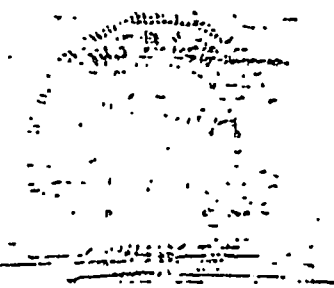
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(Seal)  
-Borrower

State of SOUTH CAROLINA  
County of York

The foregoing instrument was acknowledged before me this NOVEMBER 30, 2006 by JAMES L DENNIS and ENID DENNIS.

(Seal)

Angie B. Newton  
Notary Public, for South Carolina  
My Commission Expires 12/28/15



STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF YORK )

ASSIGNMENT OF MORTGAGE  
IN MORTGAGE BOOK 8627 at Page 235

FOR VALUE RECEIVED, the undersigned, Mortgage Electronic Registration Systems, Inc. (MERS) as nominee for Decision One Mortgage Company, LLC. (Assignor), does hereby transfer, assign, set over and convey to HSBC Mortgage Services, Inc. (Assignee), 636 Grand Regency Blvd., Brandon, FL 33510, its successors and assigns, without recourse, representation or warranty, all beneficial interest under that certain mortgage executed by James L. Dennis and Enid Dennis to Mortgage Electronic Registration Systems, Inc. (MERS) as nominee for Decision One Mortgage Company, LLC., which mortgage is recorded in the Office of the ROD for York County, South Carolina, in Mortgage Book 8627 at Page 235, together with all the notes and indebtedness secured by said mortgage; and the undersigned does hereby remise, release, quit claim and convey to the transferee herein all of the right, title and interest of the undersigned in and to the property described in and conveyed by said mortgage. The undersigned is now the owner of said debt and mortgage.

All other existing legal or equitable rights, interests and remedies in or with respect to the mortgage and/or the note and/or the proceeds thereof, including, but not limited to, escrow deposits, existing title insurance policies and hazard insurance policies, existing titles to mobile/manufactured homes, as well as causes of action and judgments related thereto.

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns, forever, subject only to the terms and conditions of the above-described mortgage.

IN WITNESS WHEREOF, the undersigned Mortgage Electronic Registration Systems, Inc. (MERS) as nominee for Decision One Mortgage Company, LLC. on this 12 day of Oct, 2010, has hereunto set its hand and seal.

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,  
INC. (MERS) AS NOMINEE FOR DECISION ONE  
MORTGAGE COMPANY, LLC.

Signed, sealed and delivered  
in the presence of:

[Signature]  
(Witness 1)  
[Signature]  
(Witness 2)

BY: Marina Vadrey  
ITS: VP

201000115298  
Filed for Record in  
YORK COUNTY, SC  
DAVID HAMILTON, CLERK OF COURTS  
10-25-2010 At 09:24 am.  
ASSIGNMENT 6.00  
OR Vol 11670 Page 65 - 65

STATE OF SC )  
 )  
COUNTY OF Hillsborough )

I, Rosuel Clark, a Notary Public, do hereby certify that MARIA VADREY  
as VP (title) of Mortgage Electronic Registration Systems, Inc. (MERS) as nominee for  
Decision One Mortgage Company, LLC., personally appeared before me this day and acknowledged the due  
execution of the foregoing instrument(s).

WITNESS MY HAND AND SEAL this 12 day of Oct, 2010.

[Signature]  
Notary Public for  
My Commission Expires: \_\_\_\_\_

Loan No. 0016303182  
File No. 4018.13110

PLEASE RETURN TO:  
Riley, Pope & Lancy, LLC  
Post Office Box 11412  
Columbia, SC 29211

BOOK 11670 PAGE 65

STATE OF SOUTH CAROLINA

COUNTY OF YORK

HSBC Mortgage Services, Inc.,

Plaintiff,

vs.

James L. Dennis, Enid Dennis, and Stonewood Homeowners Association of York County, Inc.,

Defendant(s).

(File No. 4018.13110)

IN THE COURT OF COMMON PLEAS  
**COPY**  
C/A NO.: 2010-CP-46-4807

**NOTICE OF DENIAL OF FORECLOSURE INTERVENTION**

PLEASE TAKE NOTICE that the Plaintiff in this action has denied foreclosure intervention and intends to proceed with the referenced foreclosure action.

YOU WILL ALSO TAKE NOTICE that pursuant to South Carolina Supreme Court Administrative Order 2011-05-02-01, you have thirty (30) days from the date of mailing of this notice to file and serve a copy of your Answer or other response to the Summons and Complaint in this matter on the subscribers at their offices at 2838 Devine Street, Columbia, South Carolina 29205.

**THIS COMMUNICATION IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION GAINED WILL BE USED FOR THAT PURPOSE.**

RILEY POPE & LANEY, LLC

*[Handwritten signature]*

T. Downdes Pope, SC Bar 66507  
Roy F. Laney, SC Bar 64279  
Heidi B. Carey, SC Bar 7020  
Nikole H. Boland, SC Bar 70491  
Damon C. Wiodarczyk, SC Bar 70460  
2838 Devine Street  
Post Office Box 11412 (29211)  
Columbia, South Carolina 29205  
(803) 799-9993  
Attorneys for Plaintiff

January 19, 2012

FILED-RECEIVED  
2012 JAN 20 PM 1:56  
DAVID HAMILTON  
C.C.P. & G.S.  
YORK COUNTY, SC

**EXHIBIT**  
D

STATE OF SOUTH CAROLINA  
COUNTY OF YORK

IN THE COURT OF COMMON PLEAS  
C/A NO.: 2010-CP-46-4307

HSBC Mortgage Services, Inc.,

Plaintiff,

vs.

**CERTIFICATE OF MAILING**

James L. Dennis, Enid Dennis, and Stonewood  
Homeowners Association of York County, Inc.,

Defendant(s).

(File No. 4018.13110)

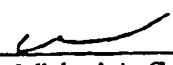
I, Ms. Michael A. Gross, Paralegal of the firm of Riley Pope & Laney, LLC, do hereby certify that I served the Notice of Denial of Foreclosure Intervention upon the defendant(s) herein by depositing a copy of same, this date, in the U.S. Mails, first class postage prepaid, and addressed as follows:

James L. Dennis  
1059 Millhouse Drive  
Rock Hill, SC, 29730  
*Pro Se*

Enid Dennis  
1059 Millhouse Drive  
Rock Hill, SC, 29730  
*Pro Se*

FILED - RECEIVED  
2012 JAN 20 PM 1:56  
DAVID HAMILTON  
C.C.P. & G.S.  
YORK COUNTY, SC

Riley Pope & Laney, LLC

  
\_\_\_\_\_  
Ms. Michael A. Gross  
Paralegal  
2838 Devine Street  
Post Office Box 11412 (29211)  
Columbia, South Carolina 29205  
(803) 799-9993  
Attorneys for Plaintiff

Columbia, South Carolina  
January 19, 2012

STATE OF SOUTH CAROLINA  
 COUNTY OF YORK

HSBC Mortgage Services, Inc.,

vs.

James L. Dennis, Enid Dennis, and  
 Stonewood Homeowners Association of  
 York County, Inc.,

Plaintiff,

Defendant(s).

(File No. 4018.13110)

IN THE COURT OF COMMON PLEAS

C/A NO.: 2010-CP-46-4307

**ATTORNEY CERTIFICATION**

(Administrative Order 2011-05-02-01)

The undersigned Plaintiff's attorney does hereby certify as follows:

1. The Mortgagors have been served with a notice of the Mortgagor's right to foreclosure intervention and have responded indicating interest in participating in loss mitigation.
2. The Plaintiff made a good faith effort to obtain the required documentation from the Mortgagors to participate in the foreclosure intervention process, but the Mortgagors failed to submit the requested documents. Therefore, the Plaintiff could not evaluate the Mortgagors' eligibility for foreclosure intervention.
3. Because the Mortgagors did not cooperate with the foreclosure intervention process, the Plaintiff could not determine the Mortgagors' qualifications for loan modification or other means of loss mitigation, in accordance with any standards, rules or guidelines applicable to the mortgage loan, and the parties have been unable to reach any other agreement concerning the foreclosure process.
4. The Notice of Denial of Foreclosure Intervention (the "Notice") was served on the Mortgagors by mailing the Notice to all known addresses of the Mortgagors, giving them 30 days from the date of mailing of the Notice to file and serve an answer or other response to the Summons and Complaint.

Riley Pope & Laney, LLC

*Nikole H. Boland*

T. Lowndes Pope, SC Bar 66507

Roy F. Laney, SC Bar 64279

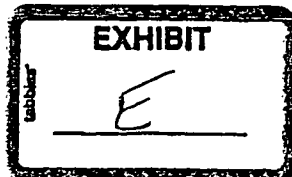
Heidi B. Carey, SC Bar 7020

~~Nikole H. Boland, SC Bar 70491~~

Damon C. Wlodarczyk, SC Bar 70460

Attorneys for Plaintiff

March 2, 2012



STATE OF SOUTH CAROLINA  
COUNTY OF YORK

IN THE COURT OF COMMON PLEAS  
C/A NO.: 2010-CP-46-4307

HSBC Mortgage Services, Inc.,

Plaintiff,

vs.

James L. Dennis, Enid Dennis, and  
Stonewood Homeowners Association of  
York County, Inc.,

Defendant(s).

**CERTIFICATE OF MAILING**

(File No. 4018.13110)

I hereby certify that I served the Attorney Certification upon the Defendant(s) herein by depositing a copy of same, this date, in the U.S. Mails, first class postage prepaid, and addressed as follows:

James L. Dennis  
1059 Millhouse Drive  
Rock Hill, SC, 29730  
*Pro Se*

Enid Dennis  
1059 Millhouse Drive  
Rock Hill, SC, 29730  
*Pro Se*

Riley Pope & Laney, LLC  
Attorneys for Plaintiff

Bernard R. Sizemore  
File and Copy Clerk

MAR 02 2012

Riley Pope & Laney, LLC



STATE OF SOUTH CAROLINA  
 COUNTY OF YORK

HSBC Mortgage Services, Inc.,

vs.

James L. Dennis, Enid Dennis, and  
 Stonewood Homeowners Association of  
 York County, Inc.,

Plaintiff,

Defendant(s).

(File No. 4018.13110)

IN THE COURT OF COMMON PLEAS

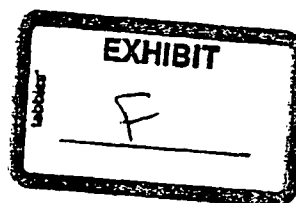
C/A NO.: 2010-CP-46-4307

AFFIDAVIT OF VERIFIED STATEMENT  
 OF ACCOUNT

AFFIDAVIT OF AMOUNT DUE

Dana J. St.Clair-Hougham, being of lawful age and being first duly sworn on oath, states and deposes as follows:

1. I am a Vice President and Assistant Secretary of the Administrative Services Division of the Plaintiff. I am over the age of eighteen years, and I am authorized to make this Affidavit on behalf of the Plaintiff. If sworn as a witness I can competently testify to the matters stated herein. The statements set forth in this Affidavit are true and correct, to the best of my knowledge and belief.
2. In the regular performance of my job functions, I have access to and am familiar with business records maintained by the Plaintiff for the purpose of servicing mortgage loans. I have personal knowledge of the manner in which these business records are created. These records (which include data compilations, electronically imaged documents, and others) are: (a) made at or near the time of the occurrence of the matters set forth by, or from information provided by, persons with knowledge of the activity and transactions reflected in such records; and (b) kept as a regular practice and in the ordinary course of business conducted by the Plaintiff. It is the regular practice of the Plaintiff to make such records. In connection with making this Affidavit, I reviewed and relied on those business records concerning the loan which is the subject of this proceeding ("Loan").



3. The Plaintiff, or counsel as its agent, is in possession of the original promissory note and/or loan agreement ("Note") for this Loan, bearing the date of November 30, 2006, in which the Defendant(s) James L. Dennis and Enid Dennis promised to pay the sum of \$225,710.00.

4. The Note is secured by a mortgage ("Mortgage") dated November 30, 2006, on certain real estate described therein together with all improvements thereon.

5. The Mortgage was duly recorded on December 4, 2006, at Book Number 8627 and Page Number 235, in the Office of the Recorder of York County, South Carolina. An assignment dated October 12, 2010 transferring the Mortgage from Mortgage Electronic Registrations Systems, Inc., as nominee for Decision One Mortgage Company, LLC, to Plaintiff was prepared and duly recorded on October 25, 2010, as Instrument Number 201000116288, in the Office of the Recorder of York County, South Carolina.

6. The payments have not been made according to the terms of the Note and the Mortgage. The Loan is currently due for the March 2010 payment and all payments thereafter.

7. As of March 9, 2012, there is due and owing on the Loan the sum of \$241,186.90, which amount due includes the following:

Principal Balance:	\$203,238.86
Interest through March 9, 2012 at the current rate of 8.3600%:	\$37,948.04
Property Inspections: 9@ \$12.50 = \$112.50	
Broker Priced Opinions: 2 @ \$100.00 = \$ 200.00	\$ 4,331.50
Corporate Advances /expenses : \$4,019.00	
<b>Total Amount Due or Owed:</b>	<b>\$245,518.40</b>

The per diem interest due from March 10, 2012 is \$ 46.5501. These itemized amounts may not include all fees currently due and owing under the Note and Mortgage, including certain late fees, inspection charges, property preservation expenses, and attorney's fees since Plaintiff has decided to forgo

collecting any such fees omitted here, but that decision does not indicate that such fees were not properly due and owing at the time of any prior communications to the borrower(s) on the Note.

FURTHER AFFIANT SAYETH NOT.

By: Dana J. St. Clair Houghan  
Signature of Affiant

Dana J. St. Clair Houghan  
Printed Name of Affiant

On behalf of HSBC Mortgage Services, Inc.

Its: Vice President and Assistant Secretary, ASD  
Affiant's Title

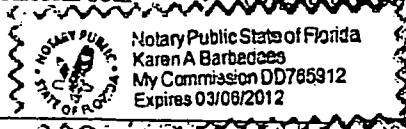
STATE OF Florida )  
COUNTY OF Hillsborough ) ss.

Sworn to (or affirmed) and subscribed before me this 1 day of March 2012, by Dana J. St. Clair Houghan (Name of Affiant), personally known to me to be the person who executed this Affidavit on behalf of the entity therein named.

Karen A. Barbades  
(Signature of Notary Public)

WITNESS my hand and official seal

SEAL OR STAMP



(Print, type or stamp commission name of Notary Public)

My Commission Expires:

3/6/12

STATE OF SOUTH CAROLINA

COUNTY OF YORK

HSBC Mortgage Services, Inc.,

Plaintiff,

vs.

James L. Dennis, Enid Dennis, and  
Stonewood Homeowners Association of  
York County, Inc.,

Defendant(s).

IN THE COURT OF COMMON PLEAS

C/A NO.: 2010-CP-46-4307

AFFIDAVIT OF ATTORNEY FEES

(Non-Jury)

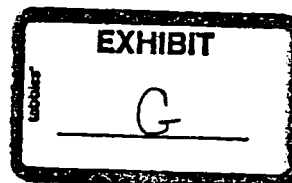
Foreclosure of Real Estate Mortgage

(File No. 4018.13110)

PERSONALLY APPEARED BEFORE ME, the undersigned, who first being duly sworn, deposes and states that (s)he is one of the attorneys who represents the Plaintiff in the above entitled action.

Our firm was engaged by the Plaintiff to foreclose the mortgage as expeditiously as possible, and has since assumed responsibility for the institution of this action, reviewed the documents, including the note mortgage; and assumed responsibility for searching and updating the title on the subject property, identified all parties having or claiming any interest in the subject real estate, and the preparation and review of the following pleadings:

- (1) Lis Pendens
- (2) Summons and Complaint (and any amendments thereto)
- (3) Notice of Denial & Attorney Certification pursuant to Administrative Order 2011-05-02-01
- (4) Consents and Stipulations to order of Reference
- (5) Notice of Default
- (6) Order of Reference
- (7) Notice of Hearing
- (8) Transcript of Testimony
- (9) Proposed Master's Report and Judgment of Foreclosure and Sale
- (10) Notice of Sale
- (11) Other Miscellaneous Hearing Document(s)



Our firm also arranged for service of process upon each defendant; consulted and corresponded with the Plaintiff; conducted telephone conferences concerning the debt; conferred on and/or researched legal issues, including the decision regarding a deficiency judgment; reviewed the file in preparation for the hearing; scheduled and attended the hearing in this matter; and provided reinstatement and/or payoff figures if requested.

Future duties include forwarding copies of the Judgment to appearing defendants, obtaining bidding instructions from Plaintiff or its designee, representing Plaintiff at the sale or arranging for such

representation, preparing an Order of Sale or Report on Sale and Disbursements and Order Confirming Sale, if needed, and preparing the Foreclosure Deed and any other documents necessary in this particular action.

The contract rate between our firm and the Plaintiff and/or its servicer for a routine, uncontested, default foreclosure of a single family residential property is \$1,450.00. This sum does not include any approved non-routine fees nor any bankruptcy work that may have been required of this firm.

Additional fees of \$750.00 to prepare the Notice of Denial & Attorney Certification pursuant to Administrative Order 2011-05-02-01 have been approved by the Plaintiff and/or its servicer. This matter was a contested case. Additional fees were approved in the amount of \$2,375.00 to resolve these issues. The preparation and filing of an Assignment of Mortgage was also necessary in this case. Additional fees were approved in the amount of \$35.00 to prepare and file the Assignment of Mortgage. The total approved attorney fee by the Plaintiff was \$3,160.00. We respectfully request that this amount be approved by the Court as well. In addition, our firm reserves the right to re-visit the question of attorney fees should the action proceed in an unexpected way after the hearing.

The loan documents of the Plaintiff contain provisions for reasonable attorney's fees. In determining attorney's fees, the undersigned requests that the court consider the size of the debt, the enormous investment in time, the complexity of these actions, the prospect of a successful result for the Plaintiff, the qualifications of the attorney, the potential liabilities inherent in handling real estate matters and the attendant responsibilities connected with these cases. Our firm believes that a reasonable attorney's fee under the circumstances would be \$4,610.00. These requested fees are consistent with the factors to be considered as provided by the South Carolina courts and is also in line with the fee customarily charged by counsel with similar experience in this particular locality.

RILEY POPE & LANEY, LLC

*Nikole H Boland*

T. Lowndes Pope, SC Bar 66507

Roy F. Laney, SC Bar 64279

Heidi B. Carey, SC Bar 7020

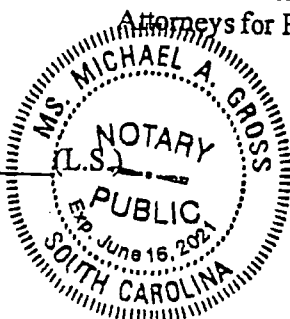
—Nikole H. Boland, SC Bar 70491

Damon C. Wlodarczyk, SC Bar 70460

Attorneys for Plaintiff

SWORN to before me this  
5<sup>th</sup> day of March, 2012

*[Signature]*  
Notary Public for South Carolina  
My Commission Expires:



STATE OF SOUTH CAROLINA  
COUNTY OF YORK

HSBC Mortgage Services, Inc.,

vs.

James L. Dennis, Enid Dennis, and Stonewood  
Homeowners Association of York County, Inc.,

Plaintiff,

Defendant(s).

(File No. 4018.13110)

IN THE COURT OF COMMON PLEAS

C/A NO.: 2010-CP-46-4307

**STATEMENT OF COSTS**

(Non-Jury)

Foreclosure of Real Estate Mortgage

The following is a statement of the court costs incurred in this foreclosure action:

Filing Fee	\$150.00
Process Service	\$435.00
Abstractor Fee	\$299.00
Military Search	\$25.00
Bankruptcy Search	\$15.00
Delinquent Tax Search	\$25.00
Recording Fees	\$25.00
Mandatory Motion Fee	\$25.00
Reference Fee	\$125.00
<b>Total</b>	<b>\$1,124.00</b>

RILEY POPE & LANEY, LLC

*Nikole H Boland*

T. Lowndes Pope, SC Bar 66507

Roy F. Laney, SC Bar 64279

Heidi B. Carey, SC Bar 7020

- Nikole H. Boland, SC Bar 70491

Damon C. Wlodarczyk, SC Bar 70460

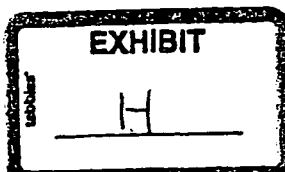
2838 Devine Street

Post Office Box 11412 (29211)

Columbia, South Carolina 29205

(803) 799-9993

Attorneys for Plaintiff



**COPY**

STATE OF SOUTH CAROLINA

COUNTY OF YORK

HSBC Mortgage Services, Inc.,

Plaintiff,

vs.

James L. Dennis, Enid Dennis, and  
Stonewood Homeowners Association of  
York County, Inc.,

Defendant(s).

(File No. 4018.13110)

IN THE COURT OF COMMON PLEAS

C/A NO.: 2010-CP-46-4307

**NOTICE OF HEARING &  
CERTIFICATE OF MAILING**

(Non-Jury)

Foreclosure of Real Estate Mortgage

Please be advised, a hearing has been scheduled in the above captioned matter before the Honorable S. Jackson Kimball, Master in Equity for York County, 1 North Congress Street, York, South Carolina on March 6, 2012 at 2:30 p.m. You are invited to attend.

I hereby certify that I have deposited on this date in the US Mail, with proper first class postage attached, a copy of this hearing notice, to each of the defendants above at the following addresses:

James L. Dennis  
1059 Millhouse Drive  
Rock Hill, SC 29730  
*Pro Se*

Enid Dennis  
1059 Millhouse Drive  
Rock Hill, SC 29730  
*Pro Se*

Stonewood Homeowners Association of York County, Inc.  
c/o its Registered Agent  
Thomas A. Givens  
303 Saluda Street  
Rock Hill, SC 29730

~~Bernard R. Sizemore~~  
File and Copy Clerk

RILEY POPE & LANEY, LLC  
Attorneys for Plaintiff

FEB 21 2012

Riley Pope &amp; Laney, LLC

STATE OF SOUTH CAROLINA

FILED-RECEIVED

IN THE COURT OF COMMON PLEAS

COUNTY OF YORK

2012 JUN 11 AM 8:30

Case NO.: 2010-CP-46-4307

HSBC Mortgage Services, Inc.,

DAVID HAMILTON  
C.C.P. & G.S.  
YORK COUNTY, SC  
Plaintiff,

vs.

ORDER DISMISSING MOTION TO VACATE  
ORDER OF JUDGMENT OF FORECLOSURE  
AND SALEJames L. Dennis, Enid Dennis, and Stonewood  
Homeowners Association of York County, Inc.,

Defendants.

This matter came before me on May 17, 2012, for a hearing on the motion of Defendants James and Enid ("Defendants") for an Order vacating the judgment of foreclosure and sale in this matter. Plaintiff was represented by Nikole H. Boland, and Defendants appeared *pro se*.

#### STATEMENT OF THE CASE

This mortgage foreclosure action was commenced with the filing and serving of the Summons and Complaint. Defendants filed and timely served an Answer and Counterclaims. A foreclosure hearing was held in this matter on March 6, 2012, at which time a judgment of foreclosure was entered and a sale was scheduled. After due and proper notice, the property was sold on May 7, 2012.

Defendants argue they are entitled to have the judgment vacated based on a "Legal Forensic Audit" prepared subsequent to the foreclosure hearing, and submitted to the Court. They assert that this is new evidence that was not present prior to the March 6, 2012, hearing. They also filed an appeal on March 7, 2012, with the South Carolina Court of Appeals.

Counsel for Plaintiff pointed out that the Defendants filed a Chapter 7 bankruptcy on May 14, 2010, and that the petition in the bankruptcy proceeding provided that they intended to retain the collateral and continue to make regular payments. However, by Order entered on August 18, 2010, the debtors were granted a discharge of the debt by virtue of the bankruptcy, and the debt is now extinguished.

#### DISCUSSION

I find and conclude that by filing the Chapter 7 bankruptcy petition, the Defendants submitted their rights to the United States Bankruptcy Court. While the Dennises dispute the outcome of that matter, this Court finds there is no legitimate dispute over the validity of the debt. By Order of the Bankruptcy Court, the Defendants were granted a discharge of the mortgage debt as part of the bankruptcy proceeding. The Defendants are not permitted to discharge their debt through a Chapter 7 bankruptcy proceeding and also retain the property without making their mortgage payments. By submitting their interest in the property to the Bankruptcy Court, and obtaining a discharge of the debt, they, in effect, forfeited their equity in the property, and lack any standing to contest the foreclosure.

I further find and conclude that the Defendants are precluded from raising these objections at this

For Clerk of Court Office Use Only

This judgment was entered on June 11, 2012, and a copy mailed first class or placed in the appropriate attorney's box on June 11, 2012, to attorneys of record or to parties (when appearing pro se) as follows:

Heath M Stewart III Riley Pope & Laney L L C P O Box 11412 Columbia,  
SC 29211

---

ATTORNEY(S) FOR THE PLAINTIFF(S)

James L. Dennis and Enid Dennis 1059 Millhouse Drive Rock Hill, SC  
29730

---

ATTORNEY(S) FOR THE DEFENDANT(S)

David Hamilton

David Hamilton - Clerk of Court

Court Reporter

FORM 4

STATE OF SOUTH CAROLINA  
 COUNTY OF YORK  
 IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE  
 CASE NUMBER 2010CP4604307

HSBC Mortgage Services Inc	James L Dennis Stonewood Homeowners Association of York County Inc
	Enid Dennis
PLAINTIFF(S)	DEFENDANT(S)
Submitted by:	Attorney for: <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

- JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ACTION DISMISSED (CHECK REASON):**
  - Rule 12(b), SCRPC;  Rule 41(a), SCRPC (Vol. Nonsuit);
  - Rule 43(k), SCRPC (Settled);  Other: \_\_\_\_\_
- ACTION STRICKEN (CHECK REASON):**
  - Rule 40(j) SCRPC;  Bankruptcy;
  - Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;  Other: \_\_\_\_\_
- DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**
  - Affirmed;  Reversed;  Remanded;  Other: \_\_\_\_\_

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED:  See attached order; (formal order to follow)  Statement of Judgment by the Court:

Order Dismissing Motion to Vacate Order of Judgment of Foreclosure and Sale

ORDER INFORMATION

This order  ends  does not end the case.

Additional Information for the Clerk:

**INFORMATION FOR THE PUBLIC INDEX**

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)

If applicable, describe the property, including tax map information and address, referenced in the order:

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

*s/S. Jackson Kimball*

Circuit Court Judge

3063

Judge Code

6/11/2012

Date

CPFORM4M

SCCA SCRPC Form 4C (Revised 10/2011)