

19139 F12-22

STATE OF SOUTH CAROLINA

IN THE COURT OF APPEALS

APPEAL FROM KERSHAW COUNTY
COURT OF COMMON PLEAS

ALISON RENEE LEE, CIRCUIT COURT JUDGE

Case No 2007-CP-28-288

Thomas W Gladden and
Vera H Gladden

Appellants,

v

Olivia M Boykin, Elizabeth A Beard,
Deborah Appleton, Bob Capes Realty, Inc ,
Russell & Jeffcoat Realtors, Inc , and
Palmetto Home Inspection Services, LLC ,

Defendants,

of whom Palmetto Home Inspection Services, LLC is

Respondent

AMENDED RECORD ON APPEAL

B Michael Brackett, SC Bar No 838
Moses Koon & Brackett, PC
1333 Main Street, Suite 650
Post Office Box 100261
Columbia, South Carolina 29202-3261
(803) 461-2312
Attorney for Appellants

Logan M Wells, Esquire
Joseph S McCue, Esquire
Collins & Lacy, PC
P O Box 12487
Columbia, SC 29211
(803)256-2660
Attorneys for Respondent

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STATE OF SOUTH CAROLINA
COUNTY OF KERSHAW

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IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT

Thomas W Gladden and Vera H Gladden)
Plaintiffs)

v)

Olivia M Boykin, Elizabeth A)
Beard Deborah Appleton,)
Bob Capes Realty, Inc, Russell &)
Jeffcoat Realtors Inc, and)
Palmetto Home Inspection Services,)
LLC)

Defendants)

DOCKET NO 07-CP-28-288

ORDER GRANTING
SUMMARY JUDGMENT TO
PALMETTO HOME INSPECTION
SERVICES

STATEMENT OF THE CASE

This action arises out of the Plaintiffs purchase of a home located at 10 Hunt Cup Lane in Camden South Carolina ("subject property") from the Defendant Olivia M Boykin The Defendant Elizabeth A Beard is a real estate agent with Russell Jeffcoat Realtors Inc who represented Ms Boykin in the sale of the subject property to the Plaintiffs The Defendant Deborah Appleton is a real estate agent with Bob Capes Realty, Inc who represented the Plaintiffs in the purchase of the subject property Palmetto Home Inspection Services LLC (Palmetto) contracted with Plaintiffs to perform a home inspection on the subject property

On March 26, 2007, the Plaintiffs filed this lawsuit asserting causes of action against Ms Boykin, Ms Beard and Russell & Jeffcoat for actual and constructive fraud and negligent misrepresentation Plaintiffs cause of action against Ms Appleton and Bob Capes Realty alleges negligent performance of an agent's duty to the Gladdens The sole cause of action against Palmetto is for breach of contract Plaintiffs and Defendant PHIS have cross motions for summary judgment each directed at the enforceability of a limit of liability provision in their written contract

FACTS

In the fall of 2006, the Plaintiffs were relocating from Winnsboro, South Carolina to Camden South Carolina Mrs Gladden had prior experience as a real estate agent in Winnsboro When Mrs Gladden looked for a house in Camden, she initially drove around different neighborhoods and put cards in mailboxes of homes that she found appealing One

such home was the subject property owned by Olivia Boykin. Mr. and Mrs. Gladden attempted to negotiate the purchase of this home directly with Ms. Boykin in an effort to avoid paying real estate agent commissions. Ms. Boykin refused to negotiate with the Gladdens unless they went through a real estate agent. The Plaintiffs then approached Deborah Appleton of Bob Capes Realty Inc. about representing them in this transaction.

The asking price for the property was \$499,000. Mrs. Gladden prepared a worksheet from which she determined to make an offer for the house for \$434,630 based on various deductions. On September 21, 2006, the Plaintiffs made an offer to Ms. Boykin in the amount of \$434,630. Ms. Boykin rejected that offer and through a series of counter offers, the Plaintiffs agreed on October 12, 2006 to pay \$495,000 to purchase the home. Under the terms of the Offer to Purchase, Plaintiffs had the option to have a home inspection. The contract also required the Seller (Mrs. Boykin) to provide a South Carolina Wood Infestation Report along with a heating and air conditioning inspection.

Ms. Appleton provided Mrs. Gladden the names of two home inspectors, Mr. Outlaw and Mr. Roberts. Ms. Appleton described Mr. Outlaw as the hardest but best. Ms. Gladden contacted Mr. Roberts, owner of Palmetto, and interviewed him over the phone. The specific substance of these conversations was not disclosed. She then interviewed Mr. Outlaw. After interviewing Mr. Roberts and Mr. Outlaw, Mrs. Gladden decided to hire Mr. Roberts.

Mr. Roberts inspected the home for the Plaintiffs on October 18, 2006. Mrs. Gladden was present at the time of the inspection, but prior to discussing the inspection results, Mrs. Gladden read and signed the Palmetto Home Inspection Services, LLC Real Estate Inspection contract. The Gladdens paid Palmetto \$475.00 for the inspection. Included in the contract is a provision titled "Limit of Liability." That section reads:

LIMIT OF LIABILITY It is understood and agreed that should PHIS, LLC and/or its agents or employees be found liable for any loss or damages resulting from a failure to perform any of its obligations including but not limited to negligence, breach of contract or otherwise, the liability of PHIS, LLC and/or its agents or employees shall be limited to a sum equal to the amount of the fee paid by the client for this inspection and report.

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Mr. Roberts provided a brief verbal report of his findings and prepared a written report. Following the receipt of the written Inspection Report, the Plaintiffs prepared an addendum to

the contract asking Boykin to repair certain items identified in the inspection report. They negotiated various items and ultimately reached a resolution as to what items would be repaired and for what items the seller would provide a credit to the Plaintiffs.

The Plaintiffs also received a South Carolina Wood Infestation Report (CL 100) prepared by Terminix Services, Inc. dated October 30, 2006. The Plaintiffs acknowledged receiving the CL-100 on the date of closing November 22, 2006. The CL-100 report identified evidence of damage and indicated that the damage 'will not be corrected by this company; recommend that structure be thoroughly and completely evaluated by qualified building expert, licensed or registered with the South Carolina Department of Labor, Licensing and Regulation, Residential Builders Commission and that needed repairs be made' ¹. The report specifically listed water damage to portions of the sill, sub floor and floor joist near the dirt-filled porch in the front, the brick patio in the back and under the laundry room. There was also some damage to the roof decking under the exhaust fan in some places where the roof changed angles. The Plaintiffs proceeded with the closing on the purchase of the home without an inspection by a licensed qualified building expert.

On the date of closing, the Plaintiffs expressed concerns about whether or not the repairs were done properly and sufficiently. Plaintiffs allege both Ms. Appleton and Ms. Beard assured them the repairs were done. Plaintiffs' concerns were relayed through their attorney to Ms. Boykin's attorney in Camden. Neither Ms. Boykin nor her attorney was present at closing. When the Plaintiffs continued to express concerns, Ms. Boykin told the Plaintiffs she was willing to cancel the closing. However, the Plaintiffs chose to move forward with the closing.

Following the closing, Mr. Gladden's brother assisted Mr. Gladden in moving some of his furniture. While at the house, Mr. Gladden asked him to inspect the crawl space repairs. Mr. Gladden's brother, who works in the construction industry, determined that the repairs to the crawl space were not properly performed.

On November 29, 2006, Mrs. Gladden contacted Mr. Roberts to express her concerns about items she perceived that were either not disclosed or not fully disclosed in the Palmetto Report. During that conversation, Mr. Roberts offered to refund the amount Plaintiffs paid for

¹ The Seller retained Ski Construction to make repairs to the sub structure identified by Terminix as well as the items identified in the Palmetto Report which the Plaintiffs and Seller agreed to repair. Ski Construction is not a licensed builder and either did not perform the repairs sufficiently or did not repair them at all.

the inspection Mr Roberts then met with Mrs Gladden and gave her a check for \$475.00
Plaintiffs cashed that check

STANDARD OF REVIEW

Rule 56, SCRPC provides that a party is entitled to judgment as a matter of law when there is no genuine dispute of material fact. Thus, 'summary judgment is appropriate when it is clear there is no genuine issue of material fact and the conclusions and inferences to be drawn from the facts are undisputed. Etheredge v. Richland School District One, 341 S.C. 307, 311 S.E.2d 275 (2000). "When determining if any triable issues of fact exist, the evidence and all reasonable inferences must be viewed in the light most favorable to the non-moving party." Fleming v. Rose, 350 S.C. 488, 493, 567 S.E.2d 857, 860 (2002). "The pleadings and documents on file must be liberally construed in favor of the non-moving party who must be given the benefit of all favorable inferences that might reasonably be drawn from the record." Bates v. City of Columbia, 301 S.C. 320, 321, 391 S.E.2d 733 (Cl. App. 1990). A party opposing a properly supported motion for summary judgment may not rest on mere allegations or denials of his pleadings but must set forth or point to specific facts showing that there is a genuine issue of material fact. See, e.g., Baughman v. A.T. & T. Co., 306 S.C. 101, 117, 410 S.F.2d 537, 547 (1991) (bare allegations deemed insufficient to create a genuine issue of fact). In cases applying the preponderance of the evidence burden of proof, the non-moving party is only required to submit a mere scintilla of evidence in order to withstand a motion for summary judgment. Hancock v. Mid-South Management Co., Inc., 381 S.C. 326, 673 S.E.2d 801, 803 (2009).

Defendant Palmetto seeks summary judgment on the basis that the contract limits Palmetto's liability to a refund of the \$475 fee paid by Plaintiffs for the inspection and report. Plaintiffs' motion for summary judgment seeks judgment on the basis that the limit of liability provision is unenforceable because the provision is both unconscionable and violates public policy.

DISCUSSION

Courts only have the authority to specifically enforce contracts that the parties themselves have made. Lowcountry Open I and Trust v. Charleston Southern University, 376 S.C. 399, 656 S.E.2d 775 (Cl. App. 2008). However, courts will not enforce a contract which is violative of public policy, statutory law, or provisions of the Constitution." Simpson v. MSA of Myrtle

Beach, Inc. 373 S C 14 29-30 644 S E 2d 663, 671 (2007) Plaintiffs argue that the contract is an adhesion contract and the provision limiting liability is unconscionable and unenforceable Defendant argues that the parties to a contract may agree to limit liability and therefore the provision is not unenforceable

The contract at issue here is an adhesion contract Adhesion contracts are generally thought of as a standard form contract offered on a take it or-leave-it basis containing non-negotiable terms Lackey v Green Tree Fin Corp 330 S C 388 394 498 S E 2d 898 901 (Cl App 1998) Nevertheless adhesion contracts are not per se unconscionable Herron v Century BMW, Op No 26805 (S C Sup Ct filed April 19, 2010) (Shearouse Adv Sh No 15) at 18 citing Simpson supra, 373 S C at 27 644 S E 2d at 669 The testimony of Scot Roberts of Palmetto Home Inspection was that Roberts would not provide any type of report, oral or written if the contract was not signed The contract was a pre-printed standard form utilized by Palmetto On only one occasion could Roberts recall any modification to the form contract While Plaintiff interviewed and questioned Roberts before deciding to hire him, there was no evidence presented about the nature and substance of the discussion by either party Despite those discussions Roberts presented the contract to Mrs Gladden after he had conducted the inspection because she was not available when the inspection started Gladden read the contract before signing it

In South Carolina unconscionability is defined as the absence of meaningful choice on the part of one party due to one-sided contract provisions together with terms that are so oppressive that no reasonable person would make them and no fair and honest person would accept them Simpson, supra 373 S C at 25, 644 S E 2d at 668 Plaintiff bears the burden of proving the contract unconscionable E Allen Lamsworth, Contracts § 4 28 at 299 (2004) Plaintiff has failed in that burden

Absence of meaningful choice on the part of one party generally speaks to the fundamental fairness of the bargaining process in the contract at issue Simpson, supra In determining whether there is an absence of a meaningful choice courts consider the relative disparity in the parties' bargaining power the parties relative sophistication the nature of the injuries suffered by the plaintiff whether the plaintiff is a substantial business concern whether

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there is an element of surprise in the inclusion of the challenged clause, and the conspicuousness of the clause Id

The contract was one for the limited visual inspection of apparent conditions in readily accessible areas existing at the time of the inspection. While there was some disparity in the bargaining power of the parties, Mrs. Gladden was a trained real estate agent who previously worked in the business. She had the opportunity to interview home inspectors before she selected Palmetto. The provision at issue was cited near the end of the contract. There is no requirement for a home inspection. Plaintiffs chose to have a home inspection and specifically chose Palmetto to perform that service. Plaintiffs had the option not to consent to the terms of the contract or, if desired, to choose another home inspector. The contract contained conspicuous clauses in which the titles are capitalized, bold font letters. The clause which limits liability is located directly below the 'ACKNOWLEDGEMENT' section where Mrs. Gladden placed her initials. The clause was not hidden or ambiguous. As stated earlier, Mrs. Gladden read the contract before she initialed and signed it. Based upon these findings, there does not appear to be an absence of meaningful choice.

The contract states that Palmetto will perform a limited visual inspection of the readily accessible areas in conformity with the generally accepted inspection standards and methods in accordance with the standards of practice of the South Carolina Home Inspector Licensing Board. The contract specifically listed the areas that would be inspected and contained the limitations and exclusions. The inspection is not intended to advise the purchaser concerning the advisability of purchase, compliance or non-compliance with applicable codes and ordinances. Specifically, Mrs. Gladden acknowledged that the inspection is not a guaranty or warranty regarding the performance or condition of any structure or item and any visual problem observed should be verified with the appropriate contractor, electrician, plumber, or skilled professional for cost estimated and code compliance. The terms of the contract were not so oppressive or one-sided that no reasonable person would accept them. If she was not satisfied with the terms, a home inspection could have been procured through another person or company. And a more detailed inspection could have been performed by a licensed professional other than a home inspector. There is no evidence of any duress or undue influence.

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Plaintiff also claims the provision limiting liability is unenforceable as against public policy. Agreements limiting or exempting liability are enforceable. 17a C.J.S. Contracts § 271 (2007). South Carolina law enforces exculpatory clauses when clear language indicates the intent of the parties. South Carolina Electric & Gas Company v. Combustion Engineering, Inc., 283 S.C. 182, 191 S.E.2d 453, 458 (Ct. App. 1984). In Combustion Engineering, Inc., the South Carolina Court of Appeals enforced the language of an exculpatory clause which exempted the Defendant for liability for negligent manufacturing.

In a case squarely on point, Pride v. Southern Bell Telephone and Telegraph Company, 244 S.C. 615, 138 S.E.2d 144 (1964), the Supreme Court enforced a contract which limited liability arising out of the publication of paid advertisements in the yellow pages to only the amount paid for the advertisement. In Pride, the contract for services contained a provision whereby the parties agreed that the liability of the telephone company "on account of errors in or omissions from such advertisement should in no event exceed the amount of the charges for such advertisement which was omitted, or in which the error occurred in the then current issue." Id. at 619, 138 S.E.2d at 156. The Supreme Court explained that exposure to liability is "wholly a matter of private contract" and that exculpatory clauses between private parties do not violate public policy. Id. at 621, 138 S.E.2d at 157. McCune v. Myrtle Beach Indoor Shooting Range, Inc., 364 S.C. 242, 612 S.E.2d 462 (Ct. App. 2005).

In McCune, the Court of Appeals recognized that even though exculpatory clauses may be disfavored by the law, such clauses are enforceable in South Carolina. The agreements must be entered into voluntarily and contain explicit language clearly indicating the intent of the parties to exempt a party from liability. The Court further reaffirmed that exculpatory clauses between private parties do not violate public policies. This Court must hold likewise.

In this case, the Plaintiffs signed the contract which defined and limited the scope of the home inspection including Palmetto's liability for any claims arising from the home inspection.

This contract represents the entire agreement between Palmetto Home Inspection Services, LLC and the Client. PHIS, LLC is not responsible for the repair, replacement or alteration of any item within or upon the inspected property. **The Client acknowledges that they have read and understood the extent and limitations of this inspection and agree to all of the limitations, terms and exclusions contained within this contract.** (Emphasis added).

When the language of a contract is plain and capable of legal construction, that language alone determines the instrument's force and effect. The Court's duty is to enforce the contract made by the parties regardless of its wisdom or folly, apparent unreasonableness or the parties' failure to guard their rights carefully. Ellis v. Layton, 316 S.C. 245, 248, 449 S.E.2d 487 (1994).

Additionally, South Carolina expressly allows a licensed home inspector such as Palmetto to contractually limit the scope of its home inspection. S.C. Code Ann. § 40-59-500(4) defines a home inspection to mean

The rendering of a written or oral report in exchange for compensation of any sort, regarding the condition of the construction or improvements to a residence including but not limited to, structural problems or conditions, damage, safety problems, deterioration, equipment and systems that are **visible and readily accessible**. Home inspection does not include a contract or proposal for repair, renovation or remodeling of the improvements to a residence. **The parties to a home inspection may limit or expand the scope of the inspection by agreement** (Emphasis added).

In this case, the South Carolina General Assembly has expressly allowed a licensed home inspector in South Carolina to limit the scope of an inspection. The General Assembly does not preclude a home inspector from limiting its liability through contract. The public policy outlined by the legislature and the Residential Builders Commission in licensing home inspectors is to assure that there are uniform standards applicable to all inspectors and to 'establish a uniform guide for performing an inspection of buildings and equipment.' Standards of Practice for Residential Home Inspector. The standards provide the minimum contents of a written report and outlines what the residential home inspector should observe, identify, and describe. "The purpose of a residential inspection is to disclose general conditions of the building, improvements, mechanical systems and appliances as they exist on the day of the inspection." Id. The contract between Plaintiffs and Palmetto meets the requirements set forth by the legislature and the licensing board. 'A sound public policy requires the enforcement of contracts deliberately made which do not clearly contravene some positive law or rule of public morals.' Romanus v. Biggs, 214 S.C. 145, 51 S.E.2d 503 (1949). The contract is not against public policy.

Both parties have referred to cases from other jurisdictions to support their respective positions. Specifically, the cases relating to exculpatory clauses cited by the parties conform to South Carolina law, that exculpatory clauses are valid as long as they do not contravene public policy. In this state, the public policy regarding home inspections has been discussed above. No further reference to other jurisdictions is necessary.

ORDER

Based upon the foregoing discussion, there is no genuine issue of material fact and Defendant, Palmetto Home Inspection Services LLC is entitled to judgment as a matter of law. Therefore, **IT IS ORDERED** that Defendant Palmetto Home Inspection Services' Motion for Summary Judgment is GRANTED and Plaintiffs' Motion for Summary Judgment as to this Defendant's contract is DENIED.

AND IT IS SO ORDERED


ALISON R. N. F. F.
Circuit Court Judge

May 4, 2010
Columbia, South Carolina

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STATE OF SOUTH CAROLINA
COUNTY OF KERSHAW

IN THE COURT OF COMMON PLEAS

Thomas W Gladden and
Vera H Gladden,

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Plaintiffs,

v

COMPLAINT
(Fraud, Negligent Misrepresentation,
Breach of Contract and Negligence)

Olivia M Boykin, Elizabeth
A Beard Deborah Appleton
Bob Capes Realty, Inc , Russell
& Jeffcoat Realtors, Inc , and
Palmetto Home Inspection Services
LLC ,

(Jury Trial Demanded)

Defendants

Plaintiffs, complaining of the Defendants allege that

GENERAL ALLEGATIONS

- 1 Plaintiffs (hereinafter Buyers) are citizens and residents of Kershaw County
- 2 Defendant Olivia Boykin (hereinafter 'Seller ') is a citizen and resident of Kershaw County
- 3 Defendant Elizabeth Beard is a licensed real estate agent who is an agent and/or employee
of Defendant Russell & Jeffcoat Realtors, Inc Upon information and belief Defendant
Beard is a citizen and resident of Kershaw County
- 4 Defendant Deborah Appleton is a licensed real estate agent who is an agent and/or employee
of Defendant Bob Capes Realty, Inc Upon information and belief, Defendant Appleton is
a citizen and resident of Kershaw County
- 5 Defendant Russell & Jeffcoat Realtors, Inc is a corporation organized and existing pursuant

to the laws of the State of South Carolina which maintains agents and conducts business in Kershaw County

6 Defendant Bob Capes Realty, Inc is a corporation organized and existing pursuant to the laws of the State of South Carolina which maintains agents and conducts its real estate brokerage business in Kershaw County

7 Defendant Palmetto Home Inspection Services, LLC is a limited liability company organized and existing pursuant to the laws of the State of South Carolina which maintains agents and conducts business in Kershaw County

8 All causes of action alleged herein are related to a contract for the sale and purchase of real property located in Kershaw County

9 On October 12, 2006, Seller was the owner of certain real property known as 10 Hunt Cup Lane in Kershaw County (hereinafter 'the Property)

10 On October 12, 2006, Buyers entered into a contract with Seller for the purchase of the Property for the price of \$495,000 00 A copy of said contract is attached hereto and incorporated herein as Exhibit A

11 Seller was represented in the transaction by Defendant Russell & Jeffcoat Realtors, Inc and its agent/employee Defendant Beard

12 Buyers were represented in the transaction by Defendant Bob Capes Realty, Inc and its agent/employee Defendant Appleton

13 As an inducement to enter into the contract (Exhibit A) Seller provided to Buyers a Residential Property Condition Disclosure Statement dated September 16 2006 A copy of said disclosure statement is attached hereto and incorporated herein as Exhibit B

- 14 Pursuant to section 9 of the contract (Exhibit A) Buyers had the right to have the property inspected and to offer a repair addendum to the Seller
- 15 Buyers entered into a contract with the Defendant Palmetto Home Inspection Services, LLC to inspect the Property for the purpose of discovering defects or other conditions which might adversely affect the value or habitability of the Property
- 16 Defendant Palmetto provided to the Buyers a written report dated October 18, 2006 which purported to disclose all reasonably discoverable defects and conditions with respect to the Property A copy of said report is attached hereto and incorporated herein as Exhibit C
- 17 In reliance on the Defendant Palmetto's report Buyers submitted a repair addendum dated October 20, 2006 to the Seller on and by which Buyers required the repair of 14 numbered and described defects and/or conditions The particular conditions were identified by reference to Defendant Palmetto's report
- 18 Seller agreed to accept the repair addendum on October 24, 2006 thereby agreeing to make the required repairs and completing the formation of the contract A copy of the agreed-upon repair addendum is attached hereto and incorporated herein as Exhibit D
- 19 With respect to the repair or replacement of the irrigation pump and the window repairs, Seller agreed to a cash payment or credit adjustment in lieu of the actual repair of the pump and windows, in the amount of \$500 for the pump and \$2,500 for the windows
- 20 Seller, personally or through her agent Defendant Beard, represented to Buyers, and their agent Defendant Appleton that Seller had priced the replacement of the windows and that \$2,500 was sufficient for the repair or replacement of the damaged windows
- 21 In reliance on the representations of Seller with respect to the cost of repairing the damaged

windows, Buyers agreed to take the cash adjustment for the pump and window items on the repair addendum

22 Pursuant to the terms of the contract Seller agreed to obtain a CL100 letter a/k/a an Official Wood Infestation Report and to correct or repair any damage or infestation which the inspector deemed to be necessary

23 The closing was scheduled, and in fact occurred, on November 22, 2006 Seller did not personally attend the closing but was represented at the closing by Defendants Russell & Jeffcoat Realtors Inc and Beard

24 Seller s CL100 letter was dated October 30, 2006 Said letter disclosed the existence of significant water damage at several locations Notwithstanding the date of and the disclosures in the CL100 letter, Seller did not provide a copy to Buyers agent Defendant Appleton until four days before the closing

25 Notwithstanding the date of and the disclosures in the CL100 letter, Defendant Appleton, as agent, did not provide a copy to Buyers, as principals, until the day of closing

26 At the closing Seller by and through her agents Defendants Russell & Jeffcoat Realtors Inc and Beard, represented that all repairs required by the repair addendum and by the CL100 letter had been satisfactorily repaired or replaced

27 Defendant Bob Capes Realty, Inc and its agent Defendant Appleton, as agents of and for the Buyers, also represented to Buyers that the required repairs had been made and that the Buyers should proceed with the closing and take title to the Property

28 In reliance on the representations of Seller and her agents and on the representations of Buyers own agents, Buyers closed the transaction

- 29 Without Buyers consent, Seller held over in the Property and did not vacate the Property until several days after the closing. Although this was a breach of the contract, Buyers did not make an issue of the hold over.
- 30 Soon after Buyers moved into the Property they discovered that numerous defects and conditions which Seller was required to repair and/or replace had not been remedied and that the representations made to the Buyers at closing by Seller, and by Seller's agents, and by Buyers' agents were false and misleading.
- 31 Buyers also discovered that Defendant Palmetto had not discovered and disclosed adverse conditions with respect to the property which were material and significant and which would have caused the Buyers not to purchase the Property if the true state of the facts had been disclosed to them.

FOR A FIRST CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN, BEARD, and
RUSSELL & JEFFCOAT REALTORS, Inc.
(Actual or Constructive Fraud)
(Damages for Undisclosed and Undiscovered Mold and Mildew)

- 32 The allegations of paragraphs 1 through 31 hereinabove are restated herein.
- 33 After moving into the Property in November, 2006, Buyers discovered the existence of mold and mildew throughout the house including without limitation in ceilings, walls, and crawlspace.
- 34 The mold and mildew existed prior to the contract of sale, and Seller and her agents Beard and Russell & Jeffcoat Realtors knew, or had sufficient reason to know, of the existence and locations of the mold and mildew, and despite such knowledge, failed and omitted to declare and disclose such knowledge to the Buyers, realizing that Buyers might not purchase the

Property knowing of the existence and severity of the mold and mildew

35 The failure of the Seller and of her agents Beard and Russell & Jeffcoat Realtors to disclose the existence of mold and mildew amounted to a representation that mold and mildew did not exist

36 Seller and her agents Beard and Russell & Jeffcoat Realtors had a duty to disclose the true condition of the property to the Buyers

36 The representation made with respect to the nonexistence of mold and mildew was dishonest, unfair and false and constitutes fraudulent concealment

37 The said representation was material to the Buyers because it played a role in Buyers' decision to purchase the Property

38 Seller and her agents Beard and Russell & Jeffcoat Realtors knew the representation was false or was made with reckless disregard for its truth

39 Seller and her agents Beard and Russell & Jeffcoat Realtors intended or had reason to expect, that Buyers would act in reliance on the representation

40 Buyers had no knowledge that the subject representation was false

41 Buyers had the right to rely on Seller's and her agents' representation with respect to the absence of mold and mildew and did in fact rely on the representation

42 As a proximate result of the Seller's and her agents' fraud as described above, Buyers have been damaged in the amount of \$25,000, that being the cost of testing, abatement, and repairs associated with the removal of the mold and mildew

43 Buyers are informed and believe that they are entitled to judgment against Seller and against her agents Beard and Russell & Jeffcoat Realtors, both jointly and severally, for \$25,000 for

the damages related to mold and mildew

**FOR A SECOND CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN, BEARD,
and RUSSELL & JEFFCOAT REALTORS, Inc**

(Negligent Misrepresentation)

(Damages for Undisclosed and Undiscovered Mold and Mildew)

- 44 The allegations of paragraphs 1 through 43 hereinabove are restated herein
- 45 Alternatively, if it is found that Seller and her agents Beard and Russell & Jeffcoat Realtors
did not make a knowingly false representation with respect to the absence of mold and
mildew their representation was nevertheless made negligently
- 46 Seller and her agents had a pecuniary interest in making the representation
- 47 Seller had a duty to see that only accurate information was communicated to the Buyers
- 48 Seller breached her duty by not accurately disclosing the existence and extent of mold and
mildew
- 49 Buyers justifiably relied on the representation of the Seller and her agents
- 50 As a proximate result of the Seller's and her agents negligent misrepresentation, as
described above Buyers have been damaged in the amount of \$25,000, that being the cost
of testing abatement, and repairs associated with the removal of the mold and mildew
- 49 Buyers are informed and believe that they are entitled to judgment against Seller and against
her agents Beard and Russell & Jeffcoat Realtors, both jointly and severally for \$25 000 for
the damages related to mold and mildew

**FOR A THIRD CAUSE OF ACTION AGAINST PALMETTO HOME INSPECTION
SERVICES, LLC**

(Damages for Breach of Contract)

- 50 The allegations of paragraphs 1 through 49 hereinabove are restated herein
- 51 Defendant Palmetto contracted with Buyers to make an inspection of the Property for the purpose of discovering and reporting on the condition of the Property to the Buyers who Defendant Palmetto knew would rely on the report in their dealings with the Seller
- 52 By express or implied terms of its contract with the Buyers Defendant Palmetto agreed to conduct its inspection in a thorough and workmanlike manner and to report any conditions which would adversely affect the value and/or habitability of the home
- 53 Defendant Palmetto did not report the existence of
- A mold and mildew in the home,
 - B the fact that the pool house roof was deteriorated and in need of replacement
 - C decayed back door,
 - D general window decay on upstairs bedroom with leaks due to open mortar joints sill damage and open head joint,
 - E brick patio deterioration due to open mortar joints and water infiltration
 - F damage to interior garage door,
 - G failed to report the full extent of hardwood flooring condition and the existing blind nailing and absence of subfloor sheathing and underlayment
 - H water damage to Florida room ceiling around chimney and corner wall,
 - I water damage in the crawl space and existence of construction debris,
 - J open masonry joints,

K defects in and around the skylight

54 Defendant Palmetto conducted its inspection in a negligent manner and in so doing failed
to discover and report the existence of the conditions described in the preceding paragraph,
thereby breaching its contract with the Buyers

55 As a result of the aforesaid breach of contract by Defendant Palmetto, Buyers have been
damaged in the amount of \$79,000

56 Buyers are informed and believe that they are entitled to judgment against Defendant
Palmetto Home Inspection Services, LLC jointly and severally with the Seller and
Defendants Beard and Russell and Jeffcoat Realtors Inc , for \$25 000 in damages related to
removal of mold and mildew and against Defendant Palmetto, solely, for \$54,000 for repairs
identified in paragraph 53B through K above

FOR A FOURTH CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN, BEARD ,
and RUSSELL & JEFFCOAT REALTORS, Inc
(Actual or Constructive Fraud)
(Damages for Fraudulent Concealment of HVAC Age and Condition)

57 The allegations of paragraphs 1 through 56 hereinabove are restated herein

58 In her Residential Property Condition Disclosure Statement, Seller and her agents Beard and
Russell & Jeffcoat Realtors made representations about the age and condition of the HVAC
equipment

59 The representation made with respect to the age and condition of the HVAC equipment was
dishonest, unfair and false and constitutes fraudulent concealment

60 The said representation was material to the Buyers because it played a role in Buyers
decision to purchase the Property

61 Seller and her agents Beard and Russell & Jeffcoat Realtors knew the representation was
false or was made with reckless disregard for its truth

62 Seller and her agents Beard and Russell & Jeffcoat Realtors intended, or had reason to
expect, that Buyers would act in reliance on the representation

63 Buyers had no knowledge that the subject representation was false

64 Buyers had the right to rely on Seller's and her agents' representation with respect to the age
and condition of the HVAC equipment and did in fact rely on the representation

65 As a proximate result of the Seller's and her agents' fraud as described above Buyers have
been damaged in the amount of \$14,000, that being the cost of replacing the old and
defective HVAC equipment

66 Buyers are informed and believe that they are entitled to judgment against Seller and against
her agents Beard and Russell & Jeffcoat Realtors both jointly and severally for \$14,000 for
the damages related to the HVAC equipment

**FOR A FIFTH CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN, BEARD, and
RUSSELL & JEFFCOAT REALTORS, Inc**
(Damages for Negligent Misrepresentation Regarding HVAC Age and Condition)

67 The allegations of paragraphs 1 through 66 hereinabove are restated herein

68 Alternatively, if it is found that Seller and her agents Beard and Russell & Jeffcoat Realtors
did not make a knowingly false representation with respect to the age and condition of the
HVAC equipment their representation was nevertheless made negligently

69 Seller and her agents had a pecuniary interest in making the representation

70 Seller had a duty to see that only accurate information was communicated to the Buyers

71 Seller breached her duty by not accurately disclosing the age and condition of the HVAC
equipment

72 Buyers justifiably relied on the representation of the Seller and her agents

73 As a proximate result of the Seller's and her agents' negligent misrepresentation, as
described above, Buyers have been damaged in the amount of \$14,000, that being the cost
of replacing the old and defective HVAC equipment

74 Buyers are informed and believe that they are entitled to judgment against Seller and against
her agents Beard and Russell & Jeffcoat Realtors both jointly and severally for \$14 000 for
the damages related to the HVAC equipment

FOR A SIXTH CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN , BEARD , and
RUSSELL & JEFFCOAT REALTORS, Inc
(Damages for Actual or Constructive Fraud Regarding CL100 Repairs)

75 The allegations of paragraphs 1 through 74 hereinabove are restated herein

76 At the closing on November 22, 2007 Seller, by and through her agents Beard and Russell
& Jeffcoat Realtors, represented to Buyers that all of the water damage disclosed in the
CL100 letter had been repaired

77 After moving into the Property in November, 2006 Buyers discovered that the water damage
noted in the CL100 letter had not been fully repaired

78 Unrepaired water damage remained with respect to sills, joists, subfloors and roof decking
in the areas of the laundry room front porch, brick patio, master bedroom and roof decking

79 Seller and her agents Beard and Russell & Jeffcoat Realtors had a duty to disclose the true

status of CL100 repairs to the Buyers

- 80 The representation made with respect to the CL100 repairs was dishonest unfair and false
- 81 The said representation was material to the Buyers because it played a role in Buyers' decision to go forward with the closing
- 82 Seller and her agents Beard and Russell & Jeffcoat Realtors knew the representation was false or was made with reckless disregard for its truth
- 83 Seller and her agents Beard and Russell & Jeffcoat Realtors intended, or had reason to expect, that Buyers would act in reliance on the representation
- 84 Buyers had no knowledge that the subject representation was false
- 85 Buyers had the right to rely on Seller's and her agents' representation with respect to the CL100 repairs and did in fact rely on the representation
- 86 As a proximate result of the Seller's and her agents' actual and/or constructive fraud as described above Buyers have been damaged in the amount of \$21,400, that being the cost of completing the repairs called for in the CL100 letter
- 87 Buyers are informed and believe that they are entitled to judgment against Seller and against her agents Beard and Russell & Jeffcoat Realtors, both jointly and severally, for \$21,400 for the damages related to CL100 repairs

FOR A SEVENTH CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN, BEARD ,
and RUSSELL & JEFFCOAT REALTORS, Inc
(Damages for Negligent Misrepresentation Regarding CL100 Repairs)

- 88 The allegations of paragraphs 1 through 87 hereinabove are restated herein
- 89 Alternatively if it is found that Seller and her agents Beard and Russell & Jeffcoat Realtors

did not make a knowingly false representation with respect to the CL100 repairs, their representation was nevertheless made negligently

90 Seller and her agents had a pecuniary interest in making the representation

91 Seller had a duty to see that only accurate information was communicated to the Buyers

92 Seller breached her duty by not accurately disclosing the extent of CL100 repairs actually made

93 Buyers justifiably relied on the representation of the Seller and her agents

94 As a proximate result of the Seller's and her agents negligent misrepresentation, as described above Buyers have been damaged in the amount of \$21,400 that being the cost of completing the repairs called for in the CL100 letter

95 Buyers are informed and believe that they are entitled to judgment against Seller and against her agents Beard and Russell & Jeffcoat Realtors both jointly and severally for \$21,400 for the damages related to the CL100 repairs

FOR AN EIGHTH CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN, BEARD ,
and RUSSELL & JEFFCOAT REALTORS, Inc
(Damages for Actual or Constructive Fraud Regarding Repair Addendum Items)

96 The allegations of paragraphs 1 through 95 hereinabove are restated herein

97 At the closing on November 22, 2007, Seller, by and through her agents Beard and Russell & Jeffcoat Realtors represented to Buyers that all of the items on the repair addendum to the contract had been repaired or replaced and that \$2,500 was sufficient for the repair and/or replacement of the deteriorated windows

98 After moving into the Property in November, 2006, Buyers discovered that certain items on

the repair addendum had not been fully repaired or replaced

- 99 Seller was to make the following roof/cornice repairs (a) install flashing or extend shingles to cover the open areas of the fascia of the returns, and (b) repair a small area of water damage (decay) on the soffit on the right side of the chimney and (c) repair squirrel damage to fascia above master bedroom None of these was repaired
- 100 Seller was to repair or replace decayed window shutters This was not done
- 101 Seller was to repair an area of decay at the bottom of the stationary window above the front porch This was not done
- 102 Seller agreed to repair decayed areas at the bottom of the brick mold and door jambs on the right rear doors This was not properly completed
- 103 Seller agreed to repair decayed areas on the dormer siding boards and dormer corner trim boards This repair was attempted but was not satisfactorily completed
- 104 With respect to the attic, Seller agreed (a) to repair or replace sheathing in an area above the soffit on the right side of the sky light and one area in the middle of the left side and (b) to install bracing where the roof vents were removed, between the rafters to add further support to these areas This was not properly completed
- 105 Regarding the water heater, Seller agreed to perform the work necessary to pipe the t& p valve to the exterior This was not satisfactorily done and Seller s workman damaged electrical conduit when working on the pipe to the exterior
- 106 With respect to the HVAC unit, Seller agreed to seal the duct and gas line at the foundation wall penetration This was not done
- 107 With respect to the crawl space, Seller agreed (a) to repair duct work which was

disconnected from the front floor register in the sun room and (b) to pipe the condensate line for the attic air handler to the exterior This was not done

108 Buyers also discovered that \$2,500 was grossly insufficient to repair and/or replace the deteriorated windows

109 Seller and her agents Beard and Russell & Jeffcoat Realtors had a duty to disclose the true status of the repair addendum repairs/replacements

110 The representation made with respect to the repair addendum repairs was dishonest, unfair and false

111 The said representation was material to the Buyers because it played a role in Buyers' decision to go forward with the closing

112 Seller and her agents Beard and Russell & Jeffcoat Realtors knew the representation was false or was made with reckless disregard for its truth

113 Seller and her agents Beard and Russell & Jeffcoat Realtors intended or had reason to expect, that Buyers would act in reliance on the representation

114 Buyers had no knowledge that the subject representation was false

115 Buyers had the right to rely on Seller's and her agents' representation with respect to the repair addendum repairs and did in fact rely on the representation

116 As a proximate result of the Seller's and her agents' actual and/or constructive fraud as described above, Buyers have been damaged in the amount of \$35,500, that being the cost of completing the repairs called for in the repair addendum including the windows

117 Buyers are informed and believe that they are entitled to judgment against Seller and against her agents Beard and Russell & Jeffcoat Realtors, both jointly and severally, for \$35 500 for

the damages related to the repair addendum repairs

FOR A SEVENTH CAUSE OF ACTION AGAINST DEFENDANTS BOYKIN, BEARD ,
and RUSSELL & JEFFCOAT REALTORS, Inc
(Damages for Negligent Misrepresentation Regarding Repair Addendum Repairs)

- 118 The allegations of paragraphs 1 through 117 hereinabove are restated herein
- 119 Alternatively, if it is found that Seller and her agents Beard and Russell & Jeffcoat Realtors
did not make a knowingly false representation with respect to the repair addendum repairs,
their representation was nevertheless made negligently
- 120 Seller and her agents had a pecuniary interest in making the representation
- 121 Seller had a duty to see that only accurate information was communicated to the Buyers
- 122 Seller breached her duty by not accurately disclosing the extent of repair addendum repairs
actually made
- 123 Buyers justifiably relied on the representation of the Seller and her agents
- 124 As a proximate result of the Seller s and her agents negligent misrepresentation, as
described above Buyers have been damaged in the amount of \$35,500, that being the cost
of completing the repairs called for in the repair addendum, including the windows
- 125 Buyers are informed and believe that they are entitled to judgment against Seller and against
her agents Beard and Russell & Jeffcoat Realtors, both jointly and severally for \$35,500 for
the damages related to the repair addendum repairs

FOR AN EIGHTH CAUSE OF ACTION AGAINST DEFENDANTS APPLETON AND
BOB CAPES REALTY, INC
(Damages for Negligence in Performance of Agent Duties owed to Plaintiffs)

126 The allegations of paragraphs 1 through 125 hereinabove are restated herein

127 Plaintiffs/Buyers employed Defendant Bob Capes Realty, Inc and its agents to act as their
real estate agent in purchasing a home in the Camden - Lugoff area of South Carolina

128 Defendant Bob Capes Realty Inc accepted said employment and agreed to act as Buyers
real estate agent Defendant Appleton was the agent of Defendant Bob Capes Realty Inc
who was responsible for carrying out the real estate agent agreement with the Buyers

129 Pursuant to the agency agreement between them Defendants Bob Capes Realty Inc and
Appleton owed duties to the Buyers as follows

- A to act in compliance with the instructions of their principal (the Buyers),
- B to discover all material information which could affect the Buyers interests in the
real estate transaction with the Seller,
- C to disclose all material facts to the Buyers which are relevant and material to the
transaction with Seller, and
- D to protect the Buyers by exercising reasonable skill and diligence in the transaction
of the business entrusted to them (Defendants Capes and Appleton) by the Buyers

130 Defendants Bob Capes Realty Inc and Appleton breached the duties they owed to Buyers
and were negligent and careless in the following particulars

- A by failing to inspect and confirm that the repairs required by the CL100 letter had
been satisfactorily completed prior to the closing
- B by failing to inspect and confirm that the repairs required by the repair addendum
had been satisfactorily completed prior to the closing,
- C by failing to investigate and confirm that the cash offered by the Seller in lieu of the

window repair item in the repair addendum was sufficient to satisfy the Seller s repair/replacement obligation,

D by recommending and advising Buyers to go forward with the closing notwithstanding that they (Defendants Capes and Appleton) had not confirmed that Seller had satisfied her repair obligations under the contract,

E by placing their own interests (the commission) ahead of the interests of the Buyers in the transaction, and

E in failing to use the degree of care and caution and diligence that a reasonable person acting as a real estate agent would have used under the circumstances then prevailing

131 As a proximate result of said negligence on the part of Defendants Capes and Appleton Buyers have been damaged by having purchased a house with numerous and significant defects which will cost approximately \$150,000 to correct

132 By reason of the acts of Defendants Capes and Appleton as set forth above, Plaintiffs-Buyers are informed and believe that they are entitled to an award of actual damages in the amount of \$150,000

WHEREFORE Plaintiffs pray for judgments as follows

a Against Defendants Boykin, Beard, Russell & Jeffcoat Realtors, Inc , and Palmetto Home Inspection Services, LLC, jointly and severally, in the amount of \$25,000 for failure to report and disclose the existence of the mold and mildew,

b Against Defendants Boykin, Beard, Russell & Jeffcoat Realtors, Inc , Bob Capes Realty,

Inc , and Appleton, jointly and severally, in the amount of \$21,400 for the deficient CL100 repairs,

- c Against Defendants Boykin, Beard, Russell & Jeffcoat Realtors, Inc , Bob Capes Realty Inc , and Appleton, jointly and severally in the amount of \$35,500 for the deficient repair addendum repairs including windows,
- d Against Defendants Boykin, Beard and Russell & Jeffcoat Realtors Inc in the amount of \$14 000 for the misrepresentation of the age and condition of the HVAC equipment
- e Against Defendant Palmetto Home Inspection Services, LLC, in the amount of \$54,000 for its negligent performance of its inspection and reporting duties (for items other than mold and mildew)
- f for the costs of this action



B Michael Brackett
Moses Koon & Brackett PC
P O Box 100261
Columbia SC 29202
803 461 2312 (T)
803 461 2309 (F)
mbrackett@mkb-law.com
Attorneys for Plaintiffs

March 22 , 2007



OFFER TO PURCHASE

Revised 07/06

(Standard Form of The Greater Columbia Association of REALTORS®) This form is available for use by the entire real estate industry. The use of the form is not intended to identify the user as a REALTOR®. REALTOR® is the registered collective membership mark which may be used only by real estate licensees who are members of the NATIONAL ASSOCIATION OF REALTORS® and who subscribe to its Code of Ethics and Standards of Practice.

BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM

THE [] BUYER [] SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

1 DATE An offer to purchase is written this 12th day of October, year 2006
by Thomas W. Gladden & Vera H. Gladden Purchaser(s)
to Olivia Boykin Seller(s)

2. PROPERTY DESCRIPTION Purchaser agrees to buy and Seller agrees to sell all that lot or parcel of land with the buildings and improvements thereon if any located in Kershaw County South Carolina and being described as follows:

Address 10 Hunt Cup Ln City Camden Zip 29020

TMS# _____ Subdivision Hunt Cup

3 PRICE The purchase price is \$ 495,000.00 ~~434,000.00~~ 495,000.00 ~~434,000.00~~

4 EARNEST MONEY A \$ 1500.00 Earnest money is paid by [] cash [X] check [] other ems
held in trust by Century 21

B \$ _____ Additional earnest money to be deposited with _____
prior to _____

5 FINANCING A. Financing type shall be [] FHA [] VA (see addendum for FHAVA) [X] CONVENTIONAL, [] SELLER
[] CASH (No Financing Required) [] LOAN ASSUMPTION (see addendum for loan assumption)
OTHER Combo

B. Loan amount shall be a maximum _____ % of the purchase price

C. If Seller financing is included in the financing of this property, Selling Broker and/or Listing Broker and their Agents in this transaction make no representation as to the credit worthiness of Purchaser and suggest that Seller determine for himself that Purchaser's credit is satisfactory.

D. In a cash transaction, Purchaser agrees to provide Seller or Seller's Agent, within five (5) business days of acceptance of the contract, written verification of sufficient and available funds for the specified date of closing. Purchaser's failure to comply shall constitute a default under this contract.

E. This contract is contingent on the lot or parcel with building and improvements thereon if any appraising according to the lender's appraisal or other appraisal as agreed by Purchaser and Seller for the selling price or more. If the lot or parcel with building and improvements thereon appraises for less than the selling price, the Seller may elect to sell for the appraised value. In such case, the Purchaser agrees to proceed with the consummation of this sale at the reduced price.

However, if Seller does not agree to sell at the appraised value, the Purchaser shall have the option of proceeding with the consummation of the contract without regard to the amount of the appraised valuation, terminate the agreement without penalty or, with agreement of both parties, renegotiate the contract.

Purchaser's Initials [Signature] Date 10/12/06 have read this page. Seller's Initials ems Date 10/12/06 have read this page.



6. TRANSACTION COSTS

Unless otherwise agreed loan transaction costs including but not limited to closing costs prepaid expenses, discount points survey title examination and appraisal shall be paid as follows.

☒ Purchaser to pay all costs of obtaining the loan for the closing of the transaction

☐ Seller shall pay Purchaser's costs of obtaining the loan for closing the transaction including allowable and non-allowable costs, not to exceed \$ _____ Purchaser is responsible for any costs exceeding this amount

7. LOAN PROCESSING APPLICATION FINANCING CONTINGENCIES

Time is of the essence Purchaser agrees to apply for financing as stated in Section 5 from the lender of his choice within five (5) business days from the date of contract acceptance and any required funds advanced for credit report and appraisal Purchaser to furnish Lender any documentation required for the processing of this loan in a timely manner Purchaser's failure to apply as required above shall constitute a default under this contract. Purchaser further hereby gives permission to Lender to disclose pertinent information concerning the Purchaser's loan to the Listing or Selling Brokers or Agents. If loan is rejected by initial lender, Purchaser or Purchaser's Agent must notify the Listing Agent immediately and Seller shall then have the option to void contract. Contract is contingent upon financing (Section 5) up to and until five (5) business days prior to the closing date as set forth in this contract (Section 11) If loan is denied prior to this date earnest money will be released to Purchaser after earnest money has cleared the bank. After this date the contract is no longer contingent upon financing. If Purchaser fails to comply with the above requirements Purchaser shall be in default of this agreement subject to the terms of Section 17

8. ADDITIONAL CONTINGENCIES

☐ Complete the sale and closing of Purchaser's property located at _____
It is further agreed that Seller will continue to market the property as long as the contingency relating to the sale and closing of Purchaser's property in accordance with this contract remains in effect. Should Seller be presented another offer and if accepted this contract will be voided without notification to the Purchaser or Purchaser's Agent and all earnest money refunded after earnest money check has cleared the bank. Purchaser or Purchaser's Agent will be notified of this contract being voided as soon as possible. For Purchaser to remove this contingency Purchaser must provide documentation to Seller or Seller's Agent that any financing required under this agreement will be granted without the sale or lease of the aforementioned property and the financing contingency is removed. Upon the Purchaser's acceptance of a bona fide contract clear of contingencies other than financing the Seller agrees to remove his property from the market and this sale will be contingent upon the close of the Purchaser's property. Any documentation regarding the sale of Purchaser's property to be furnished upon request.

☐ Complete the closing of the sale of Purchaser's property currently under contract on or before _____

Property is located at _____

Seller agrees to remove his property from the market and this sale will be contingent upon the closing of the Purchaser's property. Any documentation pertaining to this sale will be provided by Purchaser upon request.

☐ Other _____

9. INSPECTIONS

A Home Inspection

The Listing and Selling Broker(s) recommend that Purchaser obtain a home inspection. Purchaser has the right within ten (10) business days after acceptance of contract to have home inspected by licensed professional inspectors of his choice. Fees for home inspections to be paid by Purchaser. If Seller does not receive Purchaser's written response to the inspection(s) and a copy of the inspection report(s) within the same ten (10) business day period Section 9A is nullified in its entirety.

(1) Purchaser has the option of accepting the property in current condition as referenced by the inspection report(s). Otherwise Purchaser must notify the Seller or Seller's Agent in writing by signed addendum specifying the defects or conditions Purchaser requests the Seller to remedy. Addendum must be accompanied by a copy of the home inspection report.

(2) Seller has three (3) business days to accept, reject or modify Purchaser's home inspection repair addendum. If Seller modifies addendum Purchaser has two (2) business days from receipt of Seller's written counterproposal to provide written notice to the Seller or Seller's Agent of his acceptance or rejection of Seller's counterproposal.

(a) If Purchaser accepts the counterproposal Purchaser agrees to complete the sale according to the terms and conditions of this contract.

- (b) If Purchaser rejects the counterproposal he may elect to void the contract by providing written notice to the Seller or Seller's Agent within two (2) business days that the contract is voided or he may continue negotiations on repairs by submitting a counterproposal to the Seller in all subsequent negotiations on the addendum each party will be given two (2) business days to respond to any further counterproposals until final agreement on the addendum is reached or the Purchaser elects to void the contract.

Should either party fail to respond in the time frame indicated above, the other party has the option of voiding the contract by written notice. In the event the contract is voided by either party, the earnest money will be refunded to the Purchaser.

B Wood Infestation Report

Notwithstanding the provisions of Section 9A the Purchaser may at his expense or as required by Purchaser's lender obtain an Official Wood Infestation Report (CL100 Letter) from a licensed and bonded exterminator. If any damage or infestation is found and Inspector recommends treatment and/or repairs the Seller agrees to have such conditions corrected at his expense by a licensed contractor prior to the closing.

C Heating & Air Inspection

Notwithstanding the provisions of Section 9A the Purchaser may at his expense or as required by Purchaser's lender, obtain a letter from a heating and air company stating that heating and air conditioning (if applicable) systems are in satisfactory working order. Seller agrees to have any required repairs corrected at his expense prior to closing. Aforementioned not guaranteed for any period of time after closing.

D Lead-Based Paint Inspection

If this home was built prior to 1978, it may contain lead-based paint. This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards at the Purchaser's expense until midnight on the tenth (10th) business day after acceptance of this contract. This contingency will terminate at the above predetermined deadline unless the Purchaser or Purchaser's Agent delivers to the Seller or Seller's Agent a written contract addendum listing the specific existing deficiencies, corrections needed, and the inspection and/or risk assessment report within the above time limits. The Seller may at the Seller's option elect in writing whether to correct the condition(s) prior to settlement. If the Seller does not elect to make the repairs, the Purchaser may remove this contingency and take the property in inspection report(s) condition within the above time limits or this contract will become void. The Purchaser may remove this contingency at any time without cause.

If this home was built prior to 1978 a Disclosure of Information and Acknowledgement Lead-Based Paint and/or Lead-Based Paint Hazards is hereby made an addendum to this contract and must be signed by both Purchaser and Seller.

10. CONDITIONS OF PROPERTY

- A Except as a new home being sold by the builder the Purchaser acknowledges that Seller except as provided in below paragraphs of this section gives no guarantee or warranty of any kind, express or implied and has made no representation as to the physical condition of the property or the existence of improvements, services, appliances or systems thereof or as to merchantability or fitness for a particular purpose as to the property or improvements thereof, and any implied warranty is hereby disclaimed by the Seller.
- B The Seller warrants the heating, air conditioning, plumbing and electrical systems well and/or septic systems and all appliances to be in operative condition on the day of closing or the day possession is given, whichever occurs first.
- C After any inspection by Purchaser and after repairs, if any, made as a result of any such inspection, the Seller agrees to maintain the property including yard maintenance, heating and air conditioning, plumbing, electrical systems, and all appliances to be conveyed in proper operative condition, normal wear and tear excepted, until the day of closing or the day possession is given, whichever occurs first. Seller warrants that to the best of his knowledge, information and belief there are no conditions in the property which would adversely affect the value when conditions are hidden by furniture, fixtures or window treatments currently in place in the property.
- D The Listing and Selling Broker(s) and their Agent(s) recommend that Purchasers perform their due diligence as far as the property sewer system, water source and system, flood zone status, mandatory association fees, homeowner's association/region fees and property covenants and restrictions.
- E. ☐ Purchaser and Seller agree that a Seller's Property Condition Disclosure statement as required by South Carolina Code of Laws, has been provided to Purchaser by Seller prior to the acceptance of this contract.
☐ Property is exempt from disclosure requirement in accordance with South Carolina Code of Laws.

11 CONVEYANCE
DATE OF
CLOSING

Conveyance shall be made subject to all easements and covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and to have prepared a proper statutory warranty deed free of encumbrances, except as herein stated. All statutory deed transfer fees shall be the responsibility of Seller. Purchaser shall pay for recording of deed. The deed shall be prepared in the name of THOMAS W. GLADEN

and delivered to stipulated place of closing.

This transaction shall be closed on or before 11-24-06, unless extended pursuant to Section 22

12. POSSESSION

The Seller will be obligated to give possession and vacate the herein described property to the Purchaser ☒ at closing ☐ 24 hours after closing ☐ in accordance with attached rental agreement. Seller agrees to deliver the property free of debris and in a clean condition with landscaping maintained. Seller shall give Purchaser access to the herein described property for the purposes of a walk through inspection within twenty four (24) hours prior to closing.

13 FIXTURES AND
PERSONAL
PROPERTY

This sale includes all fixtures, equipment and improvements of any kind which now exist and are attached to or planted on the premises, such as but not limited to shrubbery, trees, fences, shutters, blinds, lamp posts, mail boxes, garage door openers and remotes, satellite dishes, seller-owned security systems, landscape lighting, curtain/drapery rods, ceiling fans and remotes, attached mirrors, light bulbs, switch plates, duct covers, and built-ins such as equipment, appliances, cabinets, furniture and shelves unless otherwise agreed herein. (Other items may be sold separately by bill of sale.)

14 REMARKS

Other conditions: Subject to financing, Subject to home inspection & well & pump inspections.

Home Warranty to be paid by listing and selling agents

15 ADJUSTMENTS

Taxes, water, sewer charges, fuel oil, propane, electricity, natural gas, rents when applicable and all other assessments including homeowners association fees, regime fees or the like shall be adjusted as of the date of closing. Tax proration pursuant to this contract are to be based on the tax information available or projected on the date of closing and are to be prorated on that basis unless otherwise stipulated in this contract.

16 FIRE OR
CASUALTY

In case this property is damaged wholly or partially by fire or other casualty prior to delivery of deed, Purchaser or Seller shall have the right for ten (10) business days after notice of such damage to terminate this contract. Upon such termination, the earnest money deposit of Purchaser shall be returned to Purchaser and neither party shall have any further rights hereunder. If neither Purchaser nor Seller elects to terminate the contract, the parties shall proceed according to the terms of the contract.

17 DEFAULT

If the Purchaser shall default under this contract, the Seller shall have the option of suing for damages or rescinding this contract. In the event the contract is rescinded, one half of the earnest money shall then be paid to the Broker(s) not to exceed the commission due such Broker and the remaining balance of earnest money shall be paid to the Seller. Upon default by the Seller, the Purchaser shall have the option of suing for damages or specific performance, or rescinding this contract. If the Purchaser elects to rescind this contract upon default by Seller, Purchaser will be refunded all sums paid hereunder and in addition shall be reimbursed by the Seller for actual costs incurred including but not limited to credit report, appraisal fee, survey and cost of title examination. In any action to enforce the provisions of this contract, the prevailing party and Broker(s) shall be entitled to the award of their costs, including reasonable attorney's fees.

- 18. MEDIATION** Any dispute or claim arising out of or relating to this contract, the breach of this contract or the services provided in relation to this contract shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Purchaser(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this contract pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any contract signed by the parties pursuant to the mediation conference shall be binding. South Carolina Code Ann. Section 15-48-10 et seq. shall not apply to this contract.
- 19. ENTIRE CONTRACT BINDING CONTRACT** The parties agree that this written contract expresses the entire agreement between the parties and that there is no other agreement, oral or otherwise, modifying the terms hereunder and that the contract shall be binding on both parties, their principals, heirs, personal representatives, successors and assigns as state law permits.
- 20. BROKERS ESCROW ACCOUNT** Broker does not guarantee payment of check or checks accepted as earnest money. Earnest money is to be promptly deposited in Broker's escrow account, upon acceptance by both parties of contract. In the event of any action wherein Broker is made a party by virtue of acting as escrow agent or in any action wherein the funds held in escrow by Broker are subject to an action in the nature of Interpleader and Broker is made a party, Broker shall be entitled to recover reasonable Attorney's fees and court cost, the same to be charged and assessed against the Purchaser(s) or Seller(s) or both as the court may decide.
- "The South Carolina Real Estate Practices Act allows the Broker holding the earnest money to deposit it into an interest bearing account. Purchaser agrees to and understands that he has been informed of his right to ownership of the interest but relinquishes to the broker by this written agreement said right of ownership. The earnest money so noted ☒ will ☐ will not be deposited into an interest bearing account with the interest accruing to the benefit of the Broker."
- 21. SURVEY TITLE EXAMINATION, INSURANCE** The Listing and Selling Broker(s) and their Agent(s) recommend that Purchaser have a survey of the subject property made that Purchaser select an attorney to examine the title to the property and that Purchaser obtain all appropriate insurance coverage including that required by the lender, to be effective at the time of closing.
- 22. EXTENSION AGREEMENT** Time is of the essence. If Purchaser or Purchaser's Agent has provided written loan commitment but not closed within the stipulated time limit of this contract, both parties agree to extend this contract for a period not to exceed five (5) business days from the original closing date. In a cash transaction, in terms and conditions of (Section 5D) have been met, both parties agree to extend this contract for a period not to exceed five (5) business days from the original closing date.
- 23. BROKERAGE FEE** All real estate brokerage fees as specified in the Listing Agreement and in the Buyer's Brokerage Agreement, if applicable, are earned upon the acceptance of this offer and are due and payable at the time of closing, subject to any contingencies specified herein.
- 24. NON-RESIDENT TAX** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-8-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.
- 25. HOME WARRANTY COVERAGE** Both parties understand that a home warranty ☒ will ☐ will not be provided at closing. If applicable, the warranty premium will be paid at closing by the _____ in the amount of \$_____ and provided by _____ Home Warranty Company and written through the _____ Broker. *Adel*
Brokers may receive a fee for issuance of a home warranty. *10-11-06 X*
- 26. EXPIRATION OF OFFER** This offer from Purchaser shall be withdrawn at 5:00 o'clock p m (ET) on 10-12-06 unless accepted or countered by Seller in written form prior to such time.
- 27. FAX ELECTRONIC MEANS** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the Internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.
- 28. SURVIVAL** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the parties hereto until fully observed, kept or performed.
- 29. DEFINITIONS** A. In this contract, a single business day is defined as a twenty-four (24) hour period beginning at the time of acceptance of this contract, excluding Saturdays, Sundays and South Carolina legal holidays. In the contract, notice is deemed to be delivery.

B In this contract closing is defined as the time and date that the Closing Attorney or Closing Agent disburses funds

30. HUD/CLOSING
STATEMENT
RELEASE

Seller and Purchaser authorize the Closing Attorney to furnish to Listing Broker and Selling Broker copies of the HUD settlement statement for the transaction.

31 MEGAN'S LAW

The Purchaser and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Purchaser and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Purchaser agrees that the Purchaser has the sole responsibility to obtain any such information. The Purchaser understands that Sex Offender Registry information may be obtained from the appropriate law enforcement officials.

32. NON RELIANCE
CLAUSE

Both Purchaser and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

33 DISCLAIMER

The parties acknowledge that the Listing and Selling Broker(s) and their Agent(s) (A) Give no warranty of any kind, express or implied, as to the physical condition of the property or as to condition of or existence of improvements, services or systems, thereto, including but not limited to termite damage, roof, basement, appliances, heating and air conditioning systems, plumbing, sewage/septic, electrical systems, or to the structure, (B) Give no warranty, express or implied, concerning the condition of the property, any matters which would be reflected by a current survey of the property, or the accuracy of the square footage heated or unheated, (C) Give no warranty, express or implied as to title, (D) Give no warranty, express or implied, as to the fitness for a particular purpose of the property or improvements thereto, (E) Give no warranty, express or implied, that the property being purchased is in compliance with all necessary zoning ordinances and restrictions, (F) Give no warranty, express or implied, as to projected income, value or other possible benefits to the Purchaser.

This is a legally binding contract. Purchaser and Seller should seek legal advice if the contents are not understood. Both Purchaser and Seller acknowledge the receipt of a copy of this contract.

IN WITNESS THEREOF, this contract has been duly executed by the parties hereto.

Deborah J Appleton	Thomas W. Hadden	21 Sep 06
Witness	Purchaser	Date
Deborah J Appleton	Thomas W. Hadden	9/21/06
Witness	Purchaser	Date
Riz Beard	Thomas W. Hadden	10/12/06
Witness	Seller	Date
Riz Beard		803-243-2921
Listing Agent/Company	acknowledges Seller(s) is a ☒ Client or ☐ Customer	Telephone #
C-21 Deborah J Appleton	acknowledges Purchaser(s) is a ☒ Client or ☐ Customer	Telephone # 803-243-2921
Selling Agent/Company		

FINAL CONTRACT ACCEPTED BY BOTH PARTIES AT _____ O'CLOCK _____ M (ET) ON _____ DATE



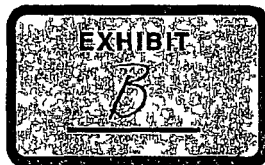
STATE OF SOUTH CAROLINA RESIDENTIAL PROPERTY CONDITION DISCLOSURE STATEMENT

INSTRUCTIONS TO PROPERTY OWNERS

- 1 South Carolina Code of Laws Title 27 Chapter 50 Article I requires that beginning January 1 2003 an owner of residential real estate (single-family homes and buildings with up to four dwelling units) shall provide to a purchaser this property condition disclosure statement which must be completed prior to signing a contract of sale. This disclosure statement must be provided in connection with the sale exchange option and sale under a lease with an option to purchase. This disclosure statement is not required for some transactions including the first sale of a dwelling which has never been inhabited. A complete list of exemptions may be found in Section 27-50-30.
- 2 You must check one of the boxes for each of the 24 questions on pages 2 and 3 of this form.
 - a If you check Yes for any question, you must explain the problem or attach a descriptive report from an engineer contractor pest control operator or other expert or public agency. If you attach a report, you will not be liable for any inaccurate or incomplete information contained in the report as long as you were not grossly negligent in obtaining or transmitting the information.
 - b If you check No for any question, you are stating that you have no actual knowledge of any problem. If you check No and you know there is a problem, you may be liable for making an intentional misrepresentation.
 - c If you check No Representation for any question, you are stating that you are making no representation regarding the conditions or characteristics of the property, but you may have a duty to disclose even if you know or should have known of them. Please consult with an attorney to determine any potential liability you may have for checking this answer.
 - d If you check Yes or No for any question and subsequently something happens to the property to render your statement incorrect or inaccurate (for example, the roof begins to leak), you must promptly provide the purchaser a corrected statement or you may correct the problem.
- 3 If you are assisted in the sale of your property by a licensed real estate broker or salesperson, you remain solely responsible for completing and delivering this statement to the purchaser. The broker or salesperson must disclose any material facts about your property which he/she knows or reasonably should know regardless of your responses on this statement. You are to complete this form yourself and answer all questions truthfully and as fully as possible. By signing below, you acknowledge that the failure to disclose known material information about the property may result in liability.
- 4 You must provide the completed statement to the purchaser prior to the time you and the purchaser sign a contract to purchase your property or as otherwise agreed to in the contract. You should provide the purchaser a copy of this statement containing your signature and keep a copy signed by the purchaser for your records.

Initials _____ Seller 01/10 Date _____ Buyer 1/13/10 Date 12/13/10
 Rev 1/03
 Form # 112

Page 1 of 4



AS SELLER OF THE PROPERTY HEREIN IDENTIFIED, DO YOU HAVE KNOWLEDGE OF ANY PROBLEM (MALFUNCTION OR DEFECT) WITH ANY OF THE FOLLOWING

	Yes*	No	Representation
1 Foundation, slab, fireplaces/chimneys, floors, windows (including storm windows and screens) doors, ceilings, interior and exterior walls attached garage patio, deck or other structural components including any modifications? a Siding masonry <u>wood</u> composition/hardwood <u>vinyl</u> synthetic stucco <u>All Brick</u> b Approximate age of structure <u>22 yr</u>	☐	☒	☐
2 Roof (leakage or other problem)? a. Approximate age of roof covering <u>new</u>	☐	☒	☐
3 Water seepage, leakage, dampness or standing water or water intrusion from any source in any area of the structure?	☐	☒	☐
4 Electrical system (outlets wiring, panel switches, fixtures, etc)?	☐	☒	☐
5 Plumbing system (pipes, fixtures, water heater, etc)?	☐	☒	☐
6 Heating and/or air conditioning <u>(new compressor replaced due to leak)</u> a. Heat source. furnace <u>heat pump</u> baseboard <u>gas</u> b Cooling source. central <u>wall/window unit(s)</u> c Fuel source. electricity <u>natural gas</u> propane <u>oil</u> d. Approximate age of heating unit <u>new in bag (10 yr)</u> /cooling unit	☐	☒	☐
7 Water supply (including water quality quantity and water pressure) a water supply is city/county <u>community system</u> private well b water pipes are copper <u>galvanized</u> PVC/CPVC polybutelene	☒	☒	☐
8 Septic system? a Type system septic tank <u>community system</u> connected to city/county system <u>city/county system available</u> b Does the system require a pump? Yes <u>No</u> <u>twice</u> c Has the septic system been serviced/pumped during your ownership? <u>new line</u>	☐	☐	☐
9 Appliances (range/oven, attached microwave, hood/fan, dishwasher, disposal, etc)?	☐	☒	☐
10 Present infestation, or damage WHICH HAS NOT BEEN REPAIRED from past infestation of wood destroying insects or organisms? a Is there a transferable termite bond? Yes <u>No</u> <u>termite</u>	☐	☒	☐
11 Drainage, grading or stability of soil or retaining structure?	☐	☒	☐
12 Other built-in systems and fixtures? central vacuum <u>pool</u> hot tub <u>spa</u> attic fan <u>exhaust fan</u> ceiling fan <u>sump pump</u> irrigation system <u>cable tv wiring or satellite dish</u> security system <u>or other systems</u>	☐	☒	☐

Initials BMG Seller 9/16 Date 10/18/06 Buyer 10/18/06 Date

Page 2 of 4

REGARDING THE PROPERTY HEREIN IDENTIFIED, INCLUDING ANY IMPROVEMENTS, AND FIXTURES LOCATED THEREON, DO YOU HAVE ANY

	Yes*	No	No Representation
13 Room additions or other structural changes?	☐	☒	☐
14 Environmental hazards (substances, materials or products) including asbestos formaldehyde radon gas methane gas lead-based paint underground storage tank, toxic mold or other hazardous or toxic material (whether buried or covered) contaminated soil or water or other environmental contamination?	☐	☒	☐
15 Nuisances (noise odor smoke, etc) affecting the property?	☐	☒	☐
16 Previous damage caused by fire?	☐	☒	☐
17 Violations or variances of building codes or zoning ordinances?	☐	☒	☐
18 Restrictions to property use? (covenants or deed)	☒	☐	☐
19 Utility or other easements, shared driveways, party walls or encroachments from or on adjacent property?	☐	☒	☐
20 Lawsuits foreclosures bankruptcy tenancies judgments, tax or other liens, proposed assessments or notice from any governmental agency that could affect title to the property?	☐	☒	☐
21 Owners association fees or common area expenses or assessments?	☐	☒	☐
22 Flood hazards or that the property is in a federally-designated flood plain?	☐	☒	☐
23 Rental rental management, vacation rental or other lease contracts in place on the property at the time of closing?	☐	☒	☐
24 Any outstanding charges owed by the tenant for gas electric, water sewerage, or garbage services provided to the property?	☐	☒	☐

***IF YOU ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS, PLEASE FURNISH THE FOLLOWING SPACE FOR YOUR EXPLANATION AND ATTACH ANY OTHER RELEVANT PROFESSIONAL REPORTS**

Initials CMK Seller AK Date 1/14 Buyer 10/18/06 Date

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Property Address 10 Hunt Cup Lane

Owner's Name(s) ② L. R. M. B. B. B.

Owner Signature ✓ [Signature] Date 9/16/06

Owner Signature _____ Date _____

Purchaser Signature [Signature] Date 12/18/06

Purchaser Signature _____ Date _____

Page 4 of 4



Proudly Serving the Palmetto State

PALMETTO HOME INSPECTION SERVICES, LLC
P O BOX 176 CAMDEN, SC 29020
PH 803-424-1948

INSPECTION REPORT

FOR VERA & TOMMY GLADDEN

LOCATION 10 HUNT CUP LANE CAMDEN, SC 29020

DATE 10-18-06

INSPECTION # 6104

REALTOR / AGENT DEBBIE APPLETON

INSPECTOR SCOT ROBERTS / LICENSE #1036

WEATHER. OVERCAST

TEMP 71-F @ 9 00 am

ROOF DESIGN HIP & GABLE

CONSTRUCTION TYPE BRICK

FOUNDATION TYPE CRAWL SPACE



OVERALL EVALUATION

**THE OVERALL EVALUATION OF THIS HOME IS GOOD SEE THE SUMMARY REPORT
FOLLOWING THE MAIN INSPECTION REPORT FOR DETAILS & PHOTOS**

ATTENTION

**HOME INSPECTORS ARE NOT CONSIDERED HEATING AND COOLING EXPERTS IT IS
STRONGLY RECOMMENDED TO HAVE A LICENSED HEATING & AIR CONTRACTOR
EVALUATE THE CONDITION OF YOUR HVAC UNIT(S) OUR INSPECTORS DO NOT
REMOVE ANY PANELS FROM THE UNIT AND DO NOT CHECK FREON LEVELS OUR
INSPECTION OF THE UNIT IS ONLY A VISUAL ONE WE DO HOWEVER CHECK THE
OPERATION OF THE THERMOSTAT, FILTERS, AND CONDITION OF THE DUCT WORK IF
ACCESSIBLE**

**WE ALSO RECOMMEND THAT YOUR HOME IS INSPECTED BY A LICENSED PEST
CONTROL (TERMITE) EXPERT**

Main Inspection Report

10/18/2006

Grounds & Landscaping

*Shrubbery clearances **REFER TO SUMMARY REPORT***

Walkway # 1 located Front

Brck Walkway appears acceptable

Porch located Front

Concrete Porch appears acceptable

Patio # 1 located Rear

Brck Patio appears acceptable

Stairs/Landing # 1 located Front

Brck Stairs/Landing appear acceptable

Chimney # 1 located Rear

Masonry Chimney appears acceptable

Roofing Material for Main House/Garage

Medium pitch roof with Asphalt Shingles Roof covering appears acceptable

Roof Mounted Structures

Plumbing Vents appear acceptable

Skylights appear acceptable

Ridge Vents appear acceptable

Exterior Siding Finish is Horizontal Lap/ Wood Fiber

*Siding ** REFER TO SUMMARY REPORT ***

Exterior Masonry Finish is Brck with Mortar Joints

Masonry finish appears acceptable

Exterior Cornice

*(Wooden) Fascia ** REFER TO SUMMARY REPORT ***

*(Wooden) Eaves ** REFER TO SUMMARY REPORT ***

(Continuous) Eaves vents appear acceptable

Exterior Trim

*(Wooden) Window trim ** REFER TO SUMMARY REPORT ***

*(Wooden) Louvered Shutters ** REFER TO SUMMARY REPORT ***

(Wooden) Porch ceiling appears acceptable

(Wooden) Columns & Posts appear acceptable

(Metal) Rail System appears acceptable

Windows And Screens – Glazing is Insulated

*Double Hung Wooden Window Exteriors ** REFER TO SUMMARY REPORT ***

Solid Brick Foundation Walls (Exterior Observations)

Foundation wall appears acceptable

Under Floor Observations

*No Insulation ** REFER TO SUMMARY REPORT ***

1/2 Copper Water Distribution Piping appears acceptable

3 PVC Drainage Piping appears acceptable

Black Steel gas piping material appears acceptable

*METAL & FLEX Ducting Material – ** REFER TO SUMMARY REPORT ***

Winng installation appears acceptable

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Crawl Space Floor Type is Dirt.

Access Access is located IN GARAGE Access appears to be adequate

Ventilation appears to be adequate

General Conditions of Crawl Space appear to be acceptable ✓

Garage is 2 Car Attached

Floor Type is Concrete Flooring appears acceptable

Both Garage Doors

Door Material is Metal(Insulated) Type is Rollup Vehicle door appears acceptable

Door Opener is Chain Driven (1/2 HP) With Electronic Light safety Switch Appears acceptable

Main House Attic Area

Attic Access is Stairway Appears acceptable

Insulation Material is Fiberglass Batt Estimated R-Value is R-25 Appears acceptable

Ventilation appears adequate

Decking **** REFER TO SUMMARY REPORT ****

Electrical components in attic appear to be acceptable

Duct work in attic appears to be acceptable

General conditions appear to be acceptable

Living Room

Hardwood Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Receptacle Outlets Appears acceptable

Windows **** REFER TO SUMMARY REPORT ****

Air Supply Appears acceptable

Den

Hardwood Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable

Receptacle Outlets Appears acceptable

Entry Door Appears acceptable

Closets Appears acceptable

Air Supply Appears acceptable

Dining Room

Hardwood Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Switched lighting Controls Overhead lighting appears acceptable

Receptacle Outlets Appears acceptable

Windows **** REFER TO SUMMARY REPORT ****

Entry Door Appears acceptable

Air Supply Appears acceptable

Sun Room

Ceramic Tile Floor Covering appears acceptable

Wall covering appears to be acceptable

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Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
Windows Appears acceptable
Entry Door Appears acceptable
*Air supply ** REFER TO SUMMARY REPORT ***

FROG

Carpet Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
*Switched lighting Controls Overhead lighting/Ceiling fan ** REFER TO SUMMARY REPORT ***
Receptacle Outlets Appears acceptable
Entry Door Appears acceptable
Air Supply Appears acceptable

Master Bedroom-UPSTAIRS

Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
*Receptacle outlets ** REFER TO SUMMARY REPORT ***
*Windows ** REFER TO SUMMARY REPORT ***
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Bedroom #2-(UPSTAIRS-RIGHT FRONT)

Carpet Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
*Windows ** REFER TO SUMMARY REPORT ***
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Bedroom #3-(UPSTAIRS-RIGHT REAR)

Carpet Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
*Windows ** REFER TO SUMMARY REPORT ***
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Master Bedroom-DOWN STAIRS

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Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
Windows Appears acceptable
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Kitchen

Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan ** REFER TO SUMMARY REPORT **
Receptacle Outlets Appears acceptable
Windows ** REFER TO SUMMARY REPORT **
Entry Door Appears acceptable
Pantry Appears acceptable
Air Supply Appears acceptable

Kitchen Cabinets

(PAINTED) Kitchen cabinets appear to be acceptable

Kitchen Counter Tops

(Ceramic) Kitchen counter tops ** REFER TO SUMMARY REPORT **

Kitchen Sinks (Double Sink)(Porcelain)

Kitchen sink appears acceptable
Kitchen sink faucets appear acceptable
Kitchen sink drainage appears acceptable

Kitchen Appliances

Disposal appears acceptable
(Electric) Cook top appears acceptable
(Electric) Oven is deficient ** REFER TO SUMMARY REPORT **
Range Hood is deficient ** REFER TO SUMMARY REPORT **
Dishwasher appears acceptable

Master Bathroom-Upstairs

Ceramic Tile Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting ** REFER TO SUMMARY REPORT **
Receptacle Outlets Appears acceptable
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable
Toilet appears acceptable
Lavatory ** REFER TO SUMMARY REPORT **
Bathroom cabinets appear to be acceptable

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Bathroom counter tops appear to be acceptable

*Whirlpool Style CAST RESIN Bathtub ** REFER TO SUMMARY REPORT ***

TILE Shower stall appears acceptable

BATHROOM #2-(UPSTAIRS-JACK & JILL)

Ceramic Tile Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

*Switched lighting Controls Overhead lighting ** REFER TO SUMMARY REPORT ***

Receptacle Outlets Appears acceptable

*Windows ** REFER TO SUMMARY REPORT ***

Entry Door Appears acceptable

Air Supply Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

Standard Style Steel Bathtub appears acceptable

TILE Shower stall appears acceptable

BATHROOM #3-(FROG)

Sheet Vinyl Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

*Switched lighting Controls Overhead lighting ** REFER TO SUMMARY REPORT ***

Receptacle Outlets Appears acceptable

Entry Door Appears acceptable

Air Supply Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

Fiberglass Shower stall appears acceptable

MASTER BATHROOM #2-DOWN STAIRS

Ceramic Tile Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

*Switched lighting Controls Overhead lighting ** REFER TO SUMMARY REPORT ***

Receptacle Outlets Appears acceptable

Windows Appears acceptable

Entry Door Appears acceptable

Closets Appears acceptable

Air Supply Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

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Standard Style Steel Bathtub appears acceptable

TILE Shower stall appears acceptable

1/2 BATHROOM-DOWN STAIRS-KITCHEN AREA

Hardwood Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Switched lighting Controls Overhead lighting **** REFER TO SUMMARY REPORT ****

Receptacle Outlets Appears acceptable

Windows Appears acceptable

Entry Door Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

Masonry Fireplace located in Den

Damper appears acceptable

Mortar Joints appear acceptable

Hearth **** REFER TO SUMMARY REPORT ****

Mantel appears acceptable

Gas Water Heater STATE 40000 BTUs Located Garage

50 Gallon Capacity water heater appears to be acceptable

All associated Plumbing and Piping appear to be acceptable

1- GAS PACKAGE UNIT-FOR DOWN STAIRS HEIL 3 5 tons & 90-k BTUs Located OUTSIDE ON LEFT

Service switch appears to be acceptable

Filters appear to be acceptable

Thermostats appear to be functional

2-GAS FURNANCE G E 60-K BTUs Located Attic

Filters appear to be acceptable

Thermostats appear to be functional

Overall Operation appears to be within normal limits

Air Conditioning Unit # 1 HEIL 3 Ton Unit. Condensing Unit located Left side of House

Air conditioning unit **** REFER TO SUMMARY REPORT ****

Plumbing Main Service Main Cutoff Valve located FRONT YARD

Supply Line is 3/4" PVC Water service line appears acceptable

Main Electrical Service 120/240 volt, 200 Amp, 4/0 Aluminum Wiring

UNDERGROUND Electrical service appears acceptable

Main Service Panel located in DEN-CLOSET (Breakers) appears acceptable

Electric Meter located Left Side. Electric Meter & Grounding Electrode (Copper) appears acceptable

Branch Circuits

120 volt 20 amp circuits (Copper Conductors) appear acceptable

240 volt, 30 amp circuits (Copper Conductors) appear acceptable

240 volt 40 amp circuits (Copper Conductors) appear acceptable

240 volt 50 amp circuits (Copper Conductors) appear acceptable

240 volt 20 & 100 amp circuits (Aluminum and Copper Conductors) appear acceptable

Electrical Sub Panels

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*Sub panel #1 located POOL HOUSE (8) 120 volt Circuits ** REFER TO SUMMARY REPORT ***

Smoke Detector # 1 Located in Upstairs Hallway

Smoke Detector (Battery Powered) appears acceptable

Smoke Detector # 2 Located in MASTER BEDROOM-DOWN STAIRS

Smoke Detector (Battery powered) appears acceptable

Smoke Detector # 3 Located in KITCHEN

Smoke Detector (Battery powered) appears acceptable

Outdoor lighting Fixtures – All

Wall Switched Lighting Fixtures appears acceptable

Outdoor Receptacles All

NOT GFCI PROTECTED Outdoor Receptacles appears acceptable

INSPECTION SUMMARY REPORT

10 HUNT CUP LANE CAMDEN SC 29020

EXTERIOR

ROOF: (a) RECOMMEND INSTALLING FLASHINGS OR EXTENDING THE SHINGLES TO COVER THE OPEN AREAS OF THE FASCIA OF THE RETURNS (SEE EXAMPLE PHOTO #3)

CORNICE: (a) THERE IS A SMALL AREA OF WATER DAMAGE (DECAY) ON THE SOFFIT ON THE RIGHT SIDE OF THE CHIMNEY

(b) IT APPEARS THAT A SQUIRREL HAS CHEWED ON THE BOTTOM OF THE FASCIA (DENTAL MOLD) ON THE FRONT ABOVE THE MASTER BEDROOM.

(c) THERE ARE A COUPLE SMALL BEE HOLES IN THE WOODEN FASCIA ON THE REAR OF THE HOUSE

WINDOWS: (a) SOME OF THE WOODEN WINDOW SHUTTERS HAVE DECAY PRESENT AND SOME HAVE MISSING LOUVERS

(b) THE LEFT REAR PATIO AND THE LEFT FRONT WINDOW SCREENS ARE TORN

(c) A SMALL AREA OF WATER DAMAGE (DECAY) IS PRESENT AT THE BOTTOM OF THE STATIONARY WINDOW ABOVE THE FRONT PORCH

DOORS: (a) SURFACE RUST IS PRESENT AT THE BOTTOM OF THE RIGHT REAR METAL DOORS THE WEATHER STRIPPING IS DETERIORATING AROUND THESE DOORS

(b) SMALL AMOUNTS OF DECAY ARE PRESENT AT THE BOTTOM OF THE BRICK MOLD, AND DOOR JAMBS ON THE RIGHT REAR DOORS (SEE PHOTO #2)

SIDING: (a) THERE ARE SMALL AMOUNTS OF DECAY PRESENT AT THE BOTTOM ON THE DORMER SIDING BOARDS, AND DORMER CORNER TRIM BOARDS (SEE PHOTO #1)

GENERAL: (a) RECOMMEND CUTTING THE SHRUBBERY BACK FROM THE STRUCTURE

(b) THE PAINT IS PEELING FROM THE EXTERIOR TRIM WORK IN SEVERAL AREAS

(c) THE CLOTHES DRYER DUCT NEEDS CLEANING

GARAGE: (a) THE GLOBE IS MISSING FROM ONE OF THE LIGHT FIXTURES.

(b) THE FRONT WINDOW PANE IS CRACKED

(c) THERE IS A SMALL STAIN ON THE CEILING WHERE THE FROG BATHROOM DRAIN PENETRATES THE CEILING

ATTIC AREA

SHEATHING: (a) THE SHEATHING IS DAMAGED IN TWO SMALL AREAS OF THE MAIN ATTIC (SEE PHOTO #5) ONE AREA IS ABOVE THE SOFFIT ON THE RIGHT SIDE OF THE SKY LIGHT AND ONE AREA IS IN THE MIDDLE ON THE LEFT SIDE.

(b) THE AREAS WHERE THE ROOF VENTS WERE REMOVED (SEE PHOTO #6) NEED TO HAVE BRACING INSTALLED BETWEEN THE RAFTERS TO SUPPORT THESE AREAS ONE AREA IS ABOVE THE DOWN STAIRS MASTER BEDROOM, AND THE OTHER IS TOWARDS THE REAR OF THE MAIN ATTIC ON THE LEFT SIDE

(c) THERE ARE SEVERAL WATER STAINS ON THE SHEATHING THROUGHOUT THE ATTIC AREA. THESE STAINS APPEAR TO BE FROM THE PAST

ELECTRICAL: (a) THE SWITCH PLATE COVER IS MISSING

GENERAL: (a) THE SCREEN IS LOOSE ON THE LEFT SIDE ROOF EXHAUST FAN

(b) THE AREA ABOVE THE FROG WAS NOT ACCESSIBLE DUE TO PERSONAL ITEMS BLOCKING THE ACCESS

GENERAL INTERIOR: (a) THE GAS SEALS ARE BROKEN ON SEVERAL OF THE WINDOWS THROUGHOUT THE HOME GIVING THEM A FOGGED-UP APPEARANCE. THE UPSTAIRS WINDOWS SOME OF THE SUNROOM WINDOWS LIVING ROOM WINDOWS, AND KITCHEN WINDOWS APPEAR FOGGED-UP

(b) THE GLOBE IS MISSING FROM THE LIGHT FIXTURE IS THE STAIRCASE FROM THE KITCHEN

(c) SOME OF THE GROUT IS MISSING FROM THE FIREPLACE HEARTH.

(d) THE HARDWOOD FLOORING SQUEAKS IN SOME AREA. THIS IS TYPICAL IN AN OLDER HOME

MASTER BEDROOM- (UPSTAIRS): (a) THERE IS A WATER STAIN AROUND THE RECEPTACLE UNDERNEATH THE LEFT SIDE WINDOW

BEDROOM #2- (UPSTAIRS-RIGHT FRONT): (a) THE LEFT SIDE WINDOW WILL NOT SUPPORT ITSELF WHEN OPENED

MASTER BATHROOM- (UPSTAIRS): (a) THE AIR SWITCH BUTTON IS MISSING FROM THE WHIRLPOOL TUB THE TUB MOTOR COULD NOT BE OPERATED

(b) THE EXHAUST FAN IS MAKING NOISE

(c) THERE IS A COSMETIC SETTLEMENT CRACK IN THE SHEETROCK CEILING BELOW THE SKYLIGHT

(d) THERE ARE SMALL SURFACE CRACKS IN THE BOTTOM OF THE RIGHT SIDE SINK.

UPSTAIRS-JACK & JILL BATHROOM: (a) THE AREA BETWEEN THE TOP OF THE TUB AND THE WALL TILES NEEDS TO BE RE-CAULKED

(b) THE WATER PROOF LIGHT FIXTURE GLOBE IS MISSING ABOVE THE SHOWER STALL.

BATHROOM #3 (FROG) (a) THE LIGHT FIXTURE ABOVE THE SHOWER DOES NOT APPEAR TO BE A WET LOCATION TYPE FIXTURE. IT APPEARS TO BE A RECESSED FIXTURE WITH A FLOOD LIGHT BULB
(b) THERE IS NO DOOR STOP AND THERE IS A VERY SMALL HOLE IN THE SHEETROCK WALL BEHIND THE DOOR
(c) THE SHEETROCK TAPE IS SEPARATING ABOVE THE SHOWER STALL

MASTER BATHROOM- (DOWN STAIRS) (a) THE EXHAUST FAN IS MAKING NOISE
(b) THERE IS A SMALL AMOUNT OF WATER HAMMER PRESENT WHEN THE VALVES ARE SUDDENLY TURNED OFF

4 BATHROOM- (KITCHEN AREA) (a) THE EXHAUST FAN IS MAKING NOISE

FROG (a) A LIGHT BULB IS BROKEN OFF INSIDE ONE OF THE RECESSED LIGHT FIXTURES.

KITCHEN (a) THE RANGE HOOD IS MAKING NOISE
(b) COULD NOT CHECK THE OVEN BELOW THE STOVE TOP IT IS FULL OF PERSONAL ITEMS
(c) THE DEN SIDE CEILING FAN WOBBLES ON HIGH SPEED
(d) TWO OF THE FLORESCENT LIGHT FIXTURES ARE NOT ENERGIZING (BULB?)
(e) A COUPLE OF THE COUNTER TOP TILES ARE CRACKED
(f) THE LIGHT INSIDE THE STAND ALONE OVEN DID NOT RESPOND (BULB?).

WATER HEATER (a) IT IS RECOMMENDED TO PIPE THE T&P VALVE TO THE EXTERIOR.

HVAC UNIT(s) (a) RECOMMEND SEALING THE DUCT AND GAS LINE AT THE FOUNDATION WALL PENETRATION (SEE PHOTO #4)

CRAWL SPACE (a) THERE IS NO INSULATION UNDERNEATH THE FLOOR. THIS IS TYPICAL OF A HOME THIS AGE.
(b) THE DUCT WORK IS DISCONNECTED FROM THE FRONT FLOOR REGISTER IN THE SUNROOM
(c) A SMALL SECTION OF THE DUCT INSULATION IS TORN BACK FROM THE DUCT WORK UNDERNEATH THE MASTER BATHROOM, AND THE KITCHEN
(d) THE CLOTHES DRYER DUCT IS MADE OF VINYL MATERIAL. RECOMMEND CHANGING TO AN UPDATED TYPE MATERIAL.
(e) THE CONDENSATE LINE FOR THE ATTIC AREA AIR HANDLER IS PIPED INTO THE CRAWL SPACE ALONG THE LEFT SIDE DEN WALL. THE CONDENSATE LINE NEEDS TO BE PIPED TO THE EXTERIOR.
(f) SOME AREAS WERE NOT ACCESSIBLE BECAUSE OF LOW CLEARANCES OF THE DUCT WORK, AND PLUMBING PIPES. THE AREAS UNDERNEATH THE DOWN BEDROOM, AND THE SUNROOM WERE NOT FULLY ACCESSIBLE

POOL HOUSE

ELECTRICAL (a) SEVERAL RECEPTACLE COVERS AND SWITCH PLATES ARE MISSING COVERS
(b) THE 30amp SINGLE POLE BREAKER ON THE RIGHT SIDE HAS A #12 WIRE ATTACHED TO IT #12 WIRE IS ONLY RATED FOR 20amps
(c) RECOMMEND CHANGING THE TWO SINGLE POLE 20amp BREAKERS ON THE LEFT SIDE (THAT ARE USED TO FORM A 240v CIRCUIT) WITH A DOUBLE POLE 20amp MOLDED CASE BREAKER.
(d) THE SPARE WIRES INSIDE THE PANEL NEEDS TO BE CAPPED OFF
(e) THERE IS NO BUSHING (ROMEX CONNECTOR) ON THE SUPPLY WIRE OF THE WATER HEATER.

ATTIC (a) THERE ARE WATER STAINS ON THE SHEATHING IN THE ATTIC AREA. THESE STAINS APPEAR TO BE FROM THE PAST AND THE WOOD APPEARS SOLID IN THIS AREA.

BATHROOM (a) THE BATHROOM CABINET IS DAMAGED (DECAYED AT BOTTOM)
(b) THE WALL AREA BEHIND THE TOILET IS INCOMPLETE
(c) THE OVERHEAD LIGHT FIXTURE DID NOT RESPOND (BULB?)
(d) THE EXHAUST FAN IS MAKING NOISE.

GENERAL (a) SOME OF THE VINYL FLOOR TILES ARE LOOSE.
(b) THE WATER HEATER WAS NOT FULLY ACCESSIBLE.

ALWAYS USE LICENSED CONTRACTORS FOR REPAIRS

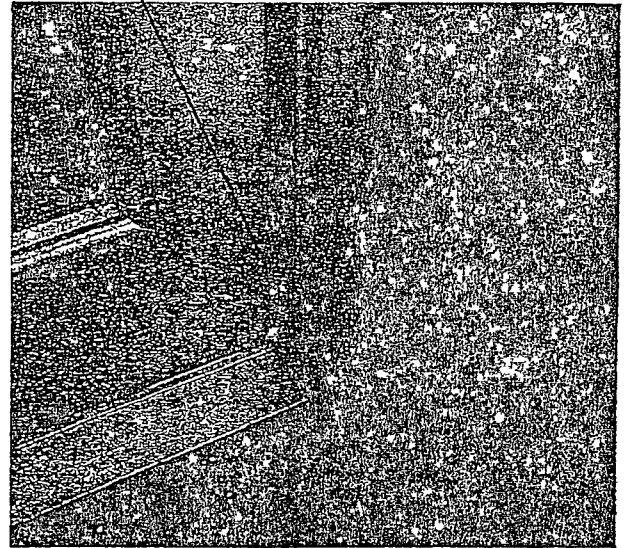
ITEMS NOT MENTIONED IN THIS REPORT WERE NOT INSPECTED

NOTE IF THE HOME INSPECTED IS FURNISHED ALL WALLS, FLOORS, WINDOWS, RECEPTACLES, ETC. WILL NOT BE ACCESSIBLE.

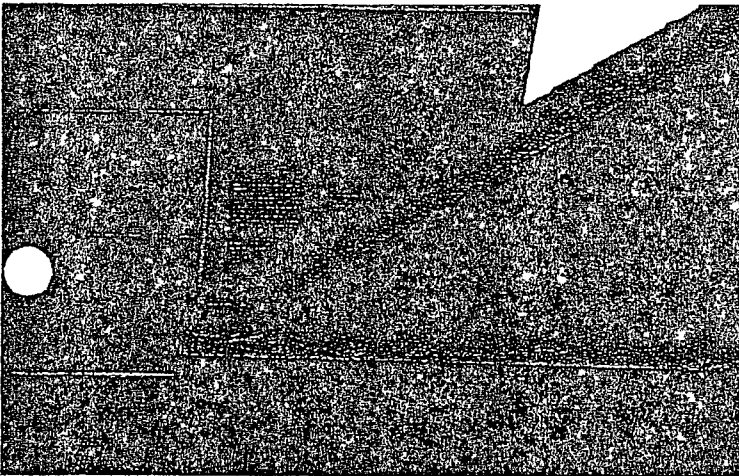
PHOTOS



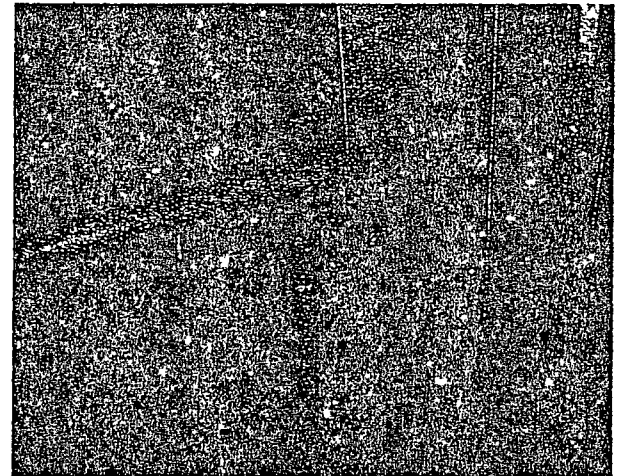
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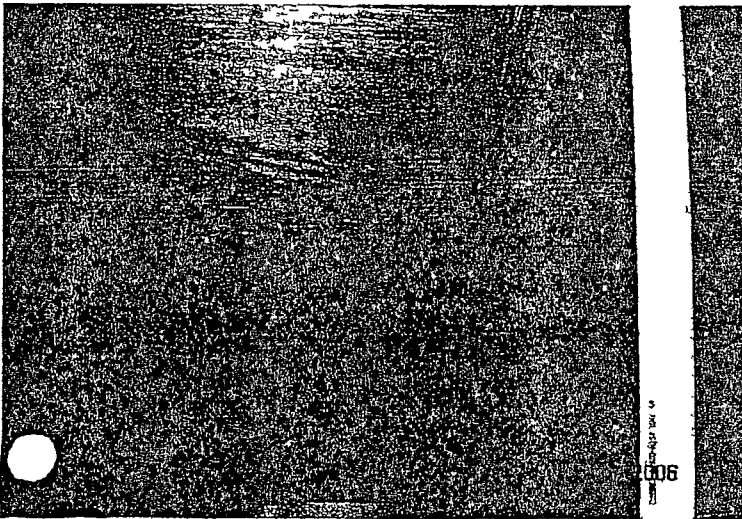
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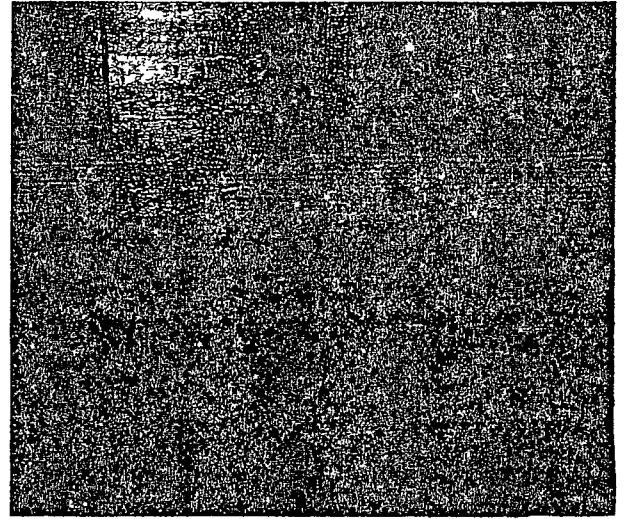
#3



#4



#5



#6

GENERAL RECOMMENDATIONS

**THESE ARE ONLY GENERAL RECOMMENDATIONS, NOT NECESSARILY REQUIRED BY CODE
AT THE TIME THIS BUILDING WAS CONSTRUCTED**

- 1 INSTALL SMOKE DETECTORS IN ALL BEDROOMS HALLWAYS, AND KITCHEN AREAS IF POSSIBLE USE AC/DC TYPE WHICH TIE TOGETHER AND ALARM SIMULTANEOUSLY**
- 2 HOMES THAT ARE SUPPLIED WITH NATURAL GAS FOR HEATING FIREPLACE LOGS WATER HEATERS OR ANY OTHER REASON SHOULD HAVE CARBON MONOXIDE DETECTORS INSTALLED THROUGHOUT THE HOME ON EACH FLOOR LEVEL**
- 3 DIRECT WATER FROM SPRINKLER SYSTEM AWAY FROM THE STRUCTURE**
- 4 KEEP ROOF AND GUTTERS FREE OF DEBRIS**
- 5 CHANGE FILTERS FOR THE RETURN AIR VENTS EVERY MONTH**
- 6 KEEP SHRUBBERY AND OVERHANGING TREE LIMBS CUT BACK FROM THE STRUCTURE**
- 7 KEEP DUCT WORK FOR CLOTHES DRYER CLEAN AND UNOBSTRUCTED OF LINT STOPPED UP CLOTHES DRYER DUCT WORK IS ONE OF THE LEADING CAUSES OF HOUSE FIRES**
- 8 ADD GUTTERS IN AREAS WHERE THEY ARE NOT PRESENT ALSO ADD EXTENSIONS TO DOWN SPOUTS IF NECESSARY TO DIRECT WATER AWAY FROM THE STRUCTURE**
- 9 ANY HOME WITH A GAS FIRED WATER HEATER SHOULD HAVE A FRESH AIR VENT INSTALLED IN THE AREA OF THE WATER HEATER.**
- 10 REPLACE ALL RECEPTACLES IN GARAGE OUTSIDE AREAS BATHROOMS AND KITCHEN WITH GFI TYPE RECEPTACLES**
- 11 ALWAYS HAVE A PROFESSIONAL CHIMNEY SWEEP CHECK THE FIRE PLACE CHIMNEY BEFORE IT IS USED**
- 12 WATER STAINS ON WOOD IN THE ATTIC AREA OR CRAWL SPACE DOES NOT NECESSARILY INDICATE AN ACTIVE LEAK PRESENT IN THE ROOFING SYSTEM OR SUB FLOORING WATER STAINS ON WOOD ARE LIKE BIRTHMARKS ONCE THEY ARE PRESENT THEY ARE THERE TO STAY SO THE WATER STAINS MAY BE ONLY AN INDICATION OF A PAST WATER LEAK**

HOME INSPECTION REPAIRS REQUEST

Inspection date: 10-18-06

For address 10 Hunt Cup Lane, Camden S.C. 29020, the following items from the home inspection are requested to be repaired or replaced as directed on the home inspection report.

- ✓
① Repair or Replace pump on irrigation

2. Exterior: Roof - A - repair (photo #3)

✓ Cornice - A - repair, B - repair

③ Windows. A - repair

✓ C - repair

✓ Doors. ✓ B - repair (photo #2)

✓
5. Siding. A - repair (photo #1) new wood/repaint

Purchaser: <u>[Signature]</u>	Date: <u>20 Oct 06</u>
Witness: <u>[Signature]</u>	Date: <u>10-20-06</u>
Purchaser: <u>[Signature]</u>	Date: <u>Oct. 20, '06</u>
Witness: <u>[Signature]</u>	Date: <u>10-20-06</u>
Seller: ② <u>[Signature]</u>	② Date: <u>10-24-06</u>
Witness: ② <u>[Signature]</u>	② Date: <u>10-24-06</u>



ADDITIONAL ITEMS

For 10 Hunt Cup Lane, Camden S.C. 29020

6. ✓ Garage - B - repair / front window (pore) cracked

7. Att.c - A - repair stain (sheathing) B - repair (Roof vents were removed and repaired)

8. General Interior - A - repair (windows) (not completed)

9. ✓ Master Bath (upstairs) A - repair air switch button missing from wall #5

10. ✓ Kitchen - D - repair 2 all not working Bulbs

11. ✓ Water Heater - A repair pipe 10' to interior

12. HVAC - A - repair (photo of) Sealing duct w/ gap line at foundation wall

13. Crawl Sp. - B - repair ductwork, gas vent from kitchen

14. ✓ Pool House: Bobby, back needs to be cleaned

15. ✓ Electrical - B, C, D, E - repair

16. _____

17. \$3,000 to apply towards #103

18. windows & pump

19. _____

20. _____

21. _____

22. _____

23. _____

24. _____

25. _____

26. _____

27. _____

28. _____

29. _____

Initials: W. J. Date: 20 Oct 06
Purchaser: (Signature) Date: (Signature)
Seller: (Signature) Date: (Signature)
OMB 102406

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF KERSHAW	)	FIFTH JUDICIAL CIRCUIT
Thomas W Gladden and Vera H Gladden,	)	Civil Action No 07-CP-28-0288
	)	
Plaintiffs,	)	
	)	ANSWER OF DEFENDANT PALMETTO
v	)	HOME INSPECTION SERVICES, LLC
	)	
Olivia M Boykin, Elizabeth A Bead,	)	
Deborah Appleton Bob Capes Realty Inc	)	
Russell & Jeffcoat Realtors, Inc and	)	
Palmetto Home Inspection Services, LLC,	)	
	)	
Defendants	)	

The Defendant Palmetto Home Inspection Services, LLC, ("Palmetto") responds to the Complaint by denying each and every allegation not specifically hereinafter admitted demanding strict proof thereof and further responding as follows

1 Admits upon information and belief the allegations of Paragraphs 1 through 6 of the Complaint

2 Admits the allegations of Paragraph 7

3 Palmetto lacks sufficient information upon which to form a belief as to the truth or falsity of the allegations of Paragraph 8 and, therefore, denies the same and demands strict proof thereof

4 Palmetto lacks sufficient evidence upon which to form a belief as to the truth or falsity of the allegations contained in Paragraphs 9 10, 11 12, 13 and 14 and, therefore, denies the same By way of further response, to the extent documents are incorporated into these paragraphs, Palmetto would crave reference to those documents as the best evidence of their terms and conditions

5 Palmetto admits only so much of Paragraph 15 as alleges or could be construed to allege that Palmetto was contracted to and did inspect the subject property under the terms and conditions set forth in the contract To the extent Paragraph 15 seeks to expand the terms set forth in the contract between the parties, those allegations are denied

6 Palmetto admits only so much of Paragraph 16 as alleges or could be construed to allege that it provided an inspection report in conformance with the terms of the contract between the parties and denies any allegations inconsistent therewith

7 Lacks sufficient information upon which to form a belief as to the truth or falsity of the allegations of Paragraph 17 18 19 20 21 22, 23 24, 25 26 27 28 29, 30 and 31 and therefore deny the same

8 In response to Paragraph 32, Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

9 Upon information and belief, the allegations contained in Paragraph 33, 34 35 36 the second paragraph labeled 36 37 38 39 40, 41 42 and 43 are not directed to this Defendant and, therefore, require no response To the extent a response is required these allegations are denied

10 In response to Paragraph 44, Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

11 Upon information and belief, the allegations contained in Paragraphs 45, 46, 47, 48, 49 50 and the second paragraph labeled 49 on Page 7 of 19 are not directed toward Palmetto and, therefore, require no response To the extent a response is required, these allegations are denied

12 In response to the second paragraph numbered 50, Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

13 Palmetto admits only so much of Paragraph 51 as alleges or could be construed to allege that Palmetto entered into a contract to inspect the subject property and Palmetto craves reference to the contract document for the terms and conditions thereof and denies any allegations of Paragraph 51 inconsistent therewith

14 Palmetto denies the allegations of Paragraph 52 which is inconsistent with the contract between the parties

15 Palmetto denies the allegations of Paragraphs 53 including subparts thereof 54 55 and 56

16 In response to Paragraph 57, Palmetto incorporates each of its responses as if set forth verbatim herein

17 Upon information and belief the allegations in Paragraphs 58 59 60, 61 62, 63 64, 65 and 66 are not directed at Palmetto and, therefore, require no response To the extent a response is required, these allegations are denied

18 In response to Paragraph 67 Palmetto incorporates each of its responses as if set forth verbatim herein

19 Upon information and belief the allegations in Paragraphs 68 69 70, 71, 72, 73 and 74 are not directed at Palmetto and, therefore, require no response To the extent a response is required these allegations are denied

20 In response to Paragraph 75 Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

21 Upon information and belief the allegations in Paragraphs 76 77 78 79 80 81 82, 83 84, 85 86 and 87 are not directed to this Defendant and, therefore, require no response To the extent a response is required these allegations are denied

22 In response to Paragraph 88 Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

23 Upon information and belief, the allegations in Paragraphs 89, 90, 91, 92, 93, 94 and 95 are not directed to this Defendant and therefore require no response To the extent a response is required these allegations are denied

24 In response to Paragraph 96 Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

25 Upon information and belief, the allegations in Paragraphs 97 98 99 100 101 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116 and 117 are not directed to this Defendant and therefore require no response To the extent a response is required these allegations are denied

26 In response to Paragraph 118 Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

27 Upon information and belief, the allegations in Paragraphs 119, 120, 121, 122 123, 124 and 125 are not directed to this Defendant and, therefore, require no response To the extent a response is required, these allegations are denied

28 In response to Paragraph 126, Palmetto incorporates each of its responses to the Complaint as if set forth verbatim herein

29 Upon information and belief, the allegations in Paragraphs 127, 128, 129, including subparts thereof 130 including subparts thereof 131 and 132 are not directed to this

Defendant and, therefore, require no response To the extent a response is required, these allegations are denied Additionally Palmetto denies the Plaintiff is entitled to any of the relief sought in the "Wherefore" clause of the Complaint from Palmetto

FOR A SECOND DEFENSE

30 Plaintiff's remedies against Palmetto are barred by the terms and condition of the contract between the parties The terms and conditions of the contract between the parties and the inspection report are incorporated herein as a complete bar and/or limitation to the Plaintiff's claims against this Defendant

FOR A THIRD DEFENSE

31 Any injuries or damages sustained by the Plaintiff were due to and caused and occasioned by Plaintiff's own negligence, gross negligence, recklessness, willfulness and wantonness which was the direct and proximate cause of Plaintiff's alleged injuries or damages if any and without which the same would not have occurred and, therefore, due to Plaintiff's sole negligence, gross negligence, recklessness, willfulness and wantonness Plaintiff's claims are barred

FOR A FOURTH DEFENSE

32 Any injuries sustained by the Plaintiff were due to and caused by the sole negligence of third persons over whom Defendant had no control and therefore this Defendant should not be liable to the Plaintiff in any sum whatsoever

FOR A FIFTH DEFENSE

33 Even if Defendant was negligent in any respect, which is expressly denied, and such conduct operated as a proximate cause of Plaintiff's injuries if any which is expressly denied Defendant alleges the Plaintiff's negligent, grossly negligent, reckless willful and wanton conduct

contributed more than fifty percent (50%) to the cause of the incident, and therefore, Plaintiff's claims are barred

FOR A SIXTH DEFENSE

34 Even if Defendant was negligent in any respect which is expressly denied, and even if such conduct on the part of the Defendant operated as a greater than fifty percent (50%) cause of Plaintiff's injuries if any which is also denied, Defendant is entitled to a determination as to the percentage which Plaintiff's negligent, grossly negligent, reckless, willful and wanton conduct contributed to Plaintiff's incident and resulting injuries if any and to a reduction of any amount awarded to the Plaintiff by an amount equal to the percentage of Plaintiff's own negligence

FOR A SEVENTH DEFENSE

35 Any injuries sustained by the Plaintiff were due to and caused by the intervening and superseding acts of negligence, carelessness, recklessness, and gross negligence on the part of third persons as a proximate cause of injuries as alleged, if any and therefore this Defendant should not be liable to the Plaintiff in any sum whatsoever

FOR AN EIGHTH DEFENSE

36 Such injuries or losses as the Plaintiff sustained if any were caused by the Plaintiff's assumption of a known risk and the Defendant pleads Plaintiff's assumption of a known risk as a complete defense to this action against him

FOR A NINTH DEFENSE

37 Plaintiff failed to mitigate his/her damages as required by law

FOR A TENTH DEFENSE

38 Plaintiff's claims may be barred by the doctrines of waiver, estoppel and/or laches

FOR AN ELEVENTH DEFENSE

39 Plaintiff's claims are barred by the statute of frauds

FOR A TWELFTH DEFENSE

40 Upon information and belief, the Plaintiff's claims may be barred, or should be stayed pending arbitration if there exists a valid arbitration provision in the contract between the Plaintiff and the Defendants

FOR A THIRTEENTH DEFENSE

41 Upon information and belief, any expressed or implied warranties were limited in duration from the date of completion and acceptance by the owner

That the failure of the Plaintiff within the warranty period from the date of the completion and acceptance of the project by the Plaintiff to give notice of or make any claim for alleged deficiencies in the workmanship and/or materials provided by Defendant constitutes a complete defense to all claims asserted by the Plaintiff

Upon information and belief, Defendant has contractually limited its warrantee obligations to the Plaintiff, excluding liability for many elements the Plaintiff is claiming barring Plaintiff's claims and/or Plaintiff's claim to damages including the Plaintiff's claim for consequential damages, in whole or in part against the Defendant

FOR A FOURTEENTH DEFENSE

42 Defendant specifically reserves the right to assert any further defenses as may be revealed by additional information acquired during discovery or otherwise from any other party herein Defendant further reserves the right to amend this Answer to the Complaint to assert any other applicable defenses to assert any applicable cross and/or counterclaims, and to implead any other applicable parties

FOR A FIFTEENTH DEFENSE

43 Punitive damages as currently awarded in South Carolina are violative of the United States Constitution and South Carolina Constitution, as well as the holding of *State Farm Mutual Automobile Insurance Company v Campbell* 538 U S 408 123 S Ct 1513 155 L Ed 2d 585 (2003) and the cases upon which it is based

Pursuant to *Cooper Industries Inc v Leatherman Tool Group Inc* 522 U S 424 121 S Ct 1678 (2001), if punitive damages are recoverable which is denied, the amount of punitive damages "[are] not really a fact tried by the jury" therefore Plaintiff's request for punitive damages "to be determined by the jury" violates the United States Constitution

FOR A SIXTEENTH DEFENSE

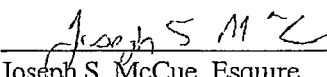
44 Plaintiffs' claims are barred by the Economic Loss Rule

Wherefore, having fully responded to the Complaint, Palmetto prays for its dismissal and for such further relief this Court deems just and proper

Respectfully submitted,

COLLINS & LACY, P C

By



Joseph S. McCue Esquire
Christopher M. Adams, Esquire
1330 Lady Street - Suite 601 (29201)
Post Office Box 12487
Columbia, South Carolina 29211
(803) 256-2660

ATTORNEYS FOR DEFENDANT
PALMETTO HOME INSPECTION
SERVICES LLC

Columbia South Carolina

May 15 2007

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF KERSHAW

07-CP-28 288

Thomas W Gladden and
Vera H Gladden

Plaintiffs,

v

Olivia M Boykin, Elizabeth A
Beard, Deborah Appleton,
Bob Capes Realty, Inc , Russell &
Jeffcoat Realtors, Inc , and
Palmetto Home Inspection Services,
LLC ,

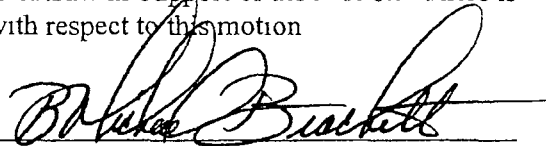
Defendants

PLAINTIFFS' MOTION FOR
SUMMARY JUDGMENT ON THE
UNENFORCEABILITY OF THIS S
LIMIT OF LIABILITY CLAUSE

TO The Defendants and their Attorneys

Please take notice that the Plaintiffs, through their undersigned attorney, move the Court for an Order granting summary judgment in favor of the Plaintiffs on the legal issue of the unenforceability of Defendant Palmetto Home Inspection Services LLC's limit of liability provision in its contract with the Plaintiffs. This motion is made pursuant to Rule 56 on the ground that the matter presented is a question of law and that there is no genuine issue of material fact which would entitle Defendant PHIS to enforce the limit of liability provision in this case.

This motion will be supported by all matters of record herein, including the deposition of Defendant PHIS through its owner Scot Roberts, by all other pretrial discovery by legal authorities of this and other jurisdictions and by Plaintiffs' Memo of Law in Support of the Motion. There is no duty of prior consultation with opposing counsel with respect to this motion.



B. Michael Brackett, Esquire
1441 Main Street Fourth Floor Suite 400
Post Office Box 100261
Columbia, South Carolina 29202-3261
(803) 461-2312
Attorney for Plaintiffs

Columbia, South Carolina
June 18, 2008

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF KERSHAW

07-CP-28-288

Thomas W Gladden and
Vera H Gladden,

Plaintiffs

v

Olivia M Boykin, Elizabeth A
Beard, Deborah Appleton
Bob Capes Realty Inc Russell &
Jeffcoat Realtors Inc , and
Palmetto Home Inspection Services,
LLC

Defendants

CLERK OF COURT
KERSHAW COUNTY S C
JUL 20 PM 3 15

PLAINTIFFS MEMORANDUM OF LAW
IN SUPPORT OF MOTION FOR
SUMMARY JUDGMENT ON THE
UNENFORCEABILITY OF PHIS'S
LIMIT OF LIABILITY PROVISION

ISSUE PRESENTED

May the Defendant Palmetto Home Inspection Services LLC, a professional home inspector, limit its liability to its client- home buyer the Plaintiffs by the inclusion of a limit of liability provision in its pre printed adhesion contract? Plaintiffs' contention that the limit of liability provision at issue is unenforceable because it is unconscionable and, alternatively, because it violates public policy is supported by the authorities identified and examined hereinbelow

FACTS

(Citations are to Defendant PHIS's deposition testimony given by Scot Roberts)

Defendant Palmetto Home Inspection Services LLC seeks to enforce a limitation of liability provision in its contract with its clients the Plaintiffs The provision at issue reads

LIMIT OF LIABILITY It is understood and agreed that should PHIS LLC and/or its agents or employees be found liable for any loss or damages resulting from a failure to perform any of its obligations, including but not limited to negligence, breach of contract or otherwise the liability of PHIS, LLC and/or its agents or employees shall be limited to a sum equal to the amount of the fee paid by the client for this inspection and report (Deposition Exhibit 4)

Other relevant facts include

Plaintiffs were under contract to pay \$495 000 for a house which they eventually purchased, in significant part on reliance of PHIS's inspection report,

Defendant PHIS held itself out to the Plaintiffs and to the public in general, as a professional service (Deposition Exhibit 3, p 20, line 20 to p 24, line 7),

PHIS held itself out as being licensed-bonded- insured (Deposition Exhibit 3, p 20, line 20 to p 24, line 7),

and having 30+ years of experience (Deposition Exhibit 3 p 20 line 20 to p 24 line 7)

its contract with the Plaintiffs was presented to Plaintiffs and signed after the inspection had been made (p 34, lines 15-20),

the contract itself was a pre-printed form with blanks to be filled in - it was not prepared specifically for the Plaintiffs (p 25, line 8 to p 26, line 12),

if Plaintiffs had not signed the contract as presented, PHIS would not have delivered the inspection report meaning the contract was a take-it or-leave-it contract (p 34, line 15 to p 35, line 10),

the limit of liability provision was not conspicuously set out in the agreement (Deposition Exhibit 4)

home inspectors, including PHIS, are subject to licensure and regulation by the state¹ (p 21

¹ S C Code Ann §40-59-500 (Supp 2007) and S C Code Ann Regs 106-4 (Supp 2007)

lines 13-25)

Plaintiffs purchased a house for \$495,000 have alleged damages in excess of \$150,000 at least \$54,000 of which is alleged to be PHIS's responsibility, for which defendant PHIS claims its liability is limited to the return of the \$475 fee paid by Plaintiffs for the inspection and report (p. 37 line 10 to p. 39 line 3, deposition exhibit 5)

LAW

Plaintiffs contend that the limit of liability provision is unenforceable because it is unconscionable and because it is in violation of public policy

1 General Contract Law

In South Carolina the law generally provides that contracts will be enforced as written and that it is not the function of the courts to rewrite contracts for the parties. Ellis v. Taylor, 449 S.E.2d 447 (S.C. 1994), Somerset v. Reyner, 104 S.E.2d 344 (S.C. 1958). However, if a court finds any provision of a contract to have been unconscionable at the time it was made, the court may refuse to enforce the unconscionable clause or so limit its application so as to avoid any unconscionable result. Simpson v. MSA of Myrtle Beach, 644 S.E.2d 663 (S.C. 2007). And, it is the general rule in South Carolina that courts will not enforce a contract which is violative of public policy. Id.

2 Unconscionability

There is no South Carolina appellate court opinion addressing the issue of the unconscionability of a limit of liability provision in a home inspection contract. There are cases on point from other jurisdictions that will be examined below. In Simpson v. MSA of Myrtle

Beach supra unconscionability in relation to an arbitration provision was reviewed. In South Carolina, unconscionability is defined as the absence of meaningful choice on the part of one party due to one-sided contract provisions together with terms that are so oppressive that no reasonable person would make them and no fair and honest person would accept them. Id, Fanning v Fritz s Pontiac-Cadillac-Buick 472 S E 2d 242 (S C 1996) ²

With respect to the absence of meaningful choice, factors to consider are

- the nature of the injuries suffered by the Plaintiffs
- whether the Plaintiffs are a substantial business concern,
- the relative disparity in the parties' bargaining power,
- the parties' relative sophistication,
- whether there is an element of surprise in the inclusion of the challenged clause,
- the conspicuousness of the clause Simpson supra

To begin, the court should determine if the contract is an adhesion contract, recognizing, however, that adhesion contracts are not per se unconscionable. Id. An adhesion contract is a standard form contract offered on a 'take it-or-leave-it' basis with terms that are not negotiable. Id. By this definition, the contract herein was an adhesion contract (p. 25, line 8 to p. 26, line 12, p. 34, line 15 to p. 35, line 10).

With respect to oppressive and one-sided terms, Simpson is the only South Carolina opinion which specifically addresses substantive oppressiveness in terms of unconscionability and it primarily concentrates on an arbitration provision's denial of statutory remedies. It has little, if any, application to a limit of liability provision in a home inspection contract. Other jurisdictions have

² S C Code Ann. §36-2-302 contains statutory unconscionability considerations in the context of a contract for the sale of goods. There is no reason why the same policies and principles of law cannot apply to a contract for the sale of services.

addressed this issue, and those cases are examined below

3 Public Policy

As stated above, it is the general rule in South Carolina that courts will not enforce a contract which is violative of public policy Simpson, supra. Public policy is broadly defined as the principles and standards regarded by the legislature or by the courts as being of fundamental concern to the state and the whole of society Black's Law Dictionary 1245 (7th ed 1999). It is more narrowly defined as the principle that a person should not be allowed to do anything that would tend to injure the public at large. Id for purposes of juridical application it may be regarded as well settled that a state has no public policy, properly cognizable by the courts, which is not derived or derivable by clear implication from the established law of the state as found in its Constitution statutes, and judicial decisions Brown v Drake 270 S E 2d 130 (S C 1980)

4 Other Jurisdictions

Application of unconscionability and public policy principles to limit of liability provisions in home inspection contracts is fully and persuasively demonstrated in Lucier v Williams 841 A 2d 907 (N J Super 2004) and in Pitts v Watkins 905 So 2d 553 (Miss 2005)

In Lucier the trial court granted partial summary judgment to the home inspector thereby limiting the homeowners to a recovery of one-half of the fee paid to the home inspection service, namely \$192.50 (as specified in the contract), notwithstanding that the landowners were claiming repair damages of \$8,000 to \$10,000. The appellate court reversed the trial court after concluding that the limitation of liability provision in the home inspection service contract was unconscionable and violated public policy. The Court's conclusion was based on

- (1) it was an adhesion contract,
- (2) the parties, a professional expert and a consumer had grossly unequal bargaining status,
- (3) the substance of the limit of liability provision “eviscerates the contract and its fundamental purpose because the potential damage level is so nominal that it has the practical effect of avoiding almost all responsibility for the professional’s negligence ’

With respect to unconscionability, the Court noted that the contract was a classic contract of adhesion, presented on a standardized pre printed form on a take-it or-leave-it basis without opportunity for negotiation or modification of terms

The inspector was an experienced professional The homeowner was unsophisticated in matters of home construction and placed his trust in the expert

To ‘ foist a contract of this type on an inexperienced consumer demonstrates a lack of fair dealing by the professional The cost of a home is substantial, and is commonly a major financial undertaking Home inspectors conduct a volume business, and possess knowledge of the cost of repairing major defects Discovery of such defects so that necessary repairs can be factored into the consumer s decision about buying a home is a major selling point of the inspector’s services If the only consequence to the inspector for professional dereliction is the refund of a few hundred dollars, there is no meaningful incentive to act diligently in the performance of home inspection contracts ” The excessively restricted damages provided by the limit of liability provision is grossly disproportionate to the potential loss to the home buyer if a substantial defect is negligently overlooked To cap the inspector’s exposure to such a small amount effectively immunizes the inspector from the consequence of his negligence and is tantamount to an exculpation clause

With respect to public policy the Lucier opinion also found that the limit of liability clause violated public policy because

(1) it allows the home inspector to circumvent the state's public policy of holding professional service providers to certain industry standards,

(2) exculpation provisions are antithetical to the relationship of a client with a professional service provider, and

(3) home inspectors are licensed and regulated by the State in the interest of protecting the home-buying public and this protection cannot be contracted away Id

In Pitts v. Watkins, 905 So 2d 553 (Miss 2005) the Mississippi Supreme Court reversed the trial court's grant of summary judgment in favor of the home inspector by holding that substantive unconscionability existed with respect to a limit of liability provision in the home inspection contract. Substantive unconscionability is proved by showing that the terms of the contract are oppressive. Id. The Court in Pitts was influenced in its decision by (1) the role of the inspection report in the customer's decision to invest 'thousands of dollars' in the purchase of a house, (2) the limit of liability provision would allow home inspectors to walk through the house in five minutes, fabricate a report, and escape liability, without any consideration of the consequences of their conduct' (stated otherwise, it amounted to an exculpation clause), (3) the great disparity between the amount of alleged damages suffered by the client and the nominal amount of damages provided for in the limit of liability provision, and (4) the fact that it limits the amount of compensatory damages recoverable but absolutely precludes the client's ability to recover punitive damages if the facts warrant such an award.

5 Exculpation Clauses

The Lucier and Pitts opinions found that the limitation of liability provisions at issue therein effectively immunized the inspector from the consequences of his own negligence and was therefore

tantamount to an exculpation clause and should be reviewed by employing the same policy considerations governing outright exculpation provisions Id

Contracts that seek to exculpate a party from liability for the party's own negligence are not favored by the law and are strictly construed against the party relying thereon McCune v Myrtle Beach Indoor, 612 S E 2d 462 (S C App 2005) An exculpatory clause will never be construed to exempt a party from liability for his own negligence in the absence of explicit language clearly indicating that such was the intent of the parties Id South Carolina appellate courts have addressed exculpation clauses in agreements not involving professional services but have not addressed the enforceability of exculpation provisions in professional service contracts Other jurisdictions have

The enforceability of an exculpation clause depends in part on the nature of the contract Courts will more readily enforce exculpation clauses in contracts involving customary transactions in the market place South Carolina has enforced such provisions in agreements not involving professional services See McCune, supra and cases cited therein However in Olsen v Molzen, 558 S W 2d 429 (Tenn 1977), the Tennessee Supreme Court acknowledged the different standards governing contracts involving professional services as contrasted with a contract with a tradesman, and concluded that a stricter standard is called for contracts involving a professional person operating in an area of public interest and pursuing a profession subject to licensure by the state Id Cases following Olsen have held that it is not necessary that all six criteria be present for an exculpation clause to be found unenforceable, Russell v Bray, 116 S W 3d 1 (Tenn App 2003) Olsen adopted the criteria laid down in the seminal case on the subject, Tunkl v Regents of University of California, 383 P 2d 441 (Cal 1963) which held an exculpation clause or release from future liability clause invalid Olsen and Tunkl considered the following characteristics of

the contract as controlling

- it concerns a business of a type generally thought suitable for public regulation,
- the party seeking exculpation is engaged in performing a service of great importance to the public, which is often a matter of practical necessity for some members of the public
- the party holds himself out as willing to perform this service for any member of the public who seeks it, or at least for any member coming within certain established standards
- in the economic setting of the transaction, the party invoking exculpation possesses a decisive advantage of bargaining strength against any member of the public who seeks his services
- in exercising a superior bargaining power the party confronts the public with a standardized adhesion contract of exculpation and makes no provision whereby a purchaser may pay additional reasonable fees and obtain protection against negligence
- as a result of the transaction, the person is placed under the control of the seller, subject to the risk of carelessness by the seller or his agents

Application of these factors to the contract herein leads to the inescapable conclusion that the limit of liability provision is tantamount to an unenforceable exculpation clause

CONCLUSION

For the reasons set out above the limit of liability provision in Defendant Palmetto Home Inspection Services LLC s contract is unenforceable and of no effect in this case



B. Michael Brackett, Esquire
1441 Main Street, Fourth Floor, Suite 400
Post Office Box 100261
Columbia South Carolina 29202-3261
(803) 461-2312
Attorney for Plaintiffs

Columbia South Carolina
June 18, 2008

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF KERSHAW	)	FIFTH JUDICIAL CIRCUIT
Thomas W Gladden and Vera H Gladden	)	Civil Action No 07-CP-28 0288
	)	
Plaintiffs,	)	
	)	
v	)	DEFENDANT PALMETTO HOME
	)	INSPECTION SERVICES, LLC'S
Olivia M Boykin, Elizabeth A Bead,	)	MOTION FOR SUMMARY JUDGMENT
Deborah Appleton, Bob Capes Realty, Inc ,	)	
Russell & Jeffcoat Realtors, Inc and	)	
Palmetto Home Inspection Services, LI C,	)	
	)	
Defendants	)	
	)	

TO B MICHAEL BRACKETT, ESQUIRE, ATTORNEY FOR PLAINTIFFS

You will please take notice that the Defendant Palmetto Home Inspection Services LLC ("Palmetto"), will move before the presiding Judge of the Fifth Judicial Circuit, Court of Common Pleas on the 10th day after service hereof, or as soon thereafter as can be heard for an Order granting Palmetto's Motion for Summary Judgment The basis for this basis for this Motion is that the documents pleadings depositions and discovery show there is no genuine issue of material fact and that the Defendant is entitled to a judgment as a matter of law In particular, Palmetto is entitled to Summary Judgment based on the provisions of the contract between the Plaintiffs and Palmetto, including but not limited to, the provision related to the limit of liability of Palmetto

(Signature Page to Follow)

Respectfully submitted

COLLINS & LACY, P C

By Joseph S. McCue
Joseph S. McCue, Esquire
Christopher M. Adams, Esquire
1330 Lady Street - Suite 601 (29201)
Post Office Box 12487
Columbia, South Carolina 29211
(803) 256-2660

ATTORNEYS FOR DEFENDANT PALMETTO
HOME INSPECTION SERVICE, LLC

Columbia, South Carolina

September 4, 2008

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF KERSHAW	)	FIFTH JUDICIAL CIRCUIT
Thomas W Gladden and Vera H Gladden,	)	Civil Action No 07 CP-28-0288
	)	
Plaintiffs,	)	
	)	
v	)	DEFENDANT PALMETTO HOME
	)	INSPECTION SERVICES, LLC'S
Olivia M Boykin Elizabeth A Beard,	)	MEMORANDUM IN SUPPORT OF ITS
Deborah Appleton Bob Capes Realty Inc	)	MOTION FOR SUMMARY JUDGMENT
Russell & Jeffcoat Realtors, Inc and	)	
Palmetto Home Inspection Services, LLC,	)	
	)	
Defendants	)	
	)	

ISSUE

Are the Plaintiffs bound by the clear terms of the Palmetto Home Inspection contract which Mrs Gladden read and signed after interviewing two home inspectors?

STATEMENT OF THE CASE

This action arises out of the Plaintiffs purchase of a home located at 10 Hunt Cup Lane in Camden, South Carolina ("subject property") from the Defendant Olivia M Boykin The Defendant Elizabeth A Beard is a real estate agent with Russell Jeffcoat Realtors, Inc who represented Ms Boykin in the sale of the subject property to the Plaintiffs The Defendant Deborah Appleton is a real estate agent with Bob Capes Realty, Inc who represented the Plaintiffs in the purchase of the subject property Palmetto Home Inspection Services LLC ("Palmetto ") contracted with Plaintiffs to perform a home inspection on the subject property

On March 26, 2007, the Plaintiffs filed this lawsuit Plaintiffs assert causes of action against Ms Boykin Ms Beard and Russell & Jeffcoat for actual and construction fraud and negligent misrepresentation Plaintiffs' cause of action against Ms Appleton and Bob Capes

Realty alleges negligent performance of an agent's duty to the Gladdens. The sole cause of action against Palmetto is for breach of contract.

Palmetto has moved for summary judgment and this memorandum is submitted in support of that motion and in opposition to Plaintiffs' Motion for Summary Judgment.

FACTS

In the Fall of 2006 the Plaintiffs were relocating from Winnsboro, South Carolina to Camden, South Carolina. Mrs. Gladden had prior experience as a real estate agent in Winnsboro. When Mrs. Gladden looked for a house in Camden, she initially drove around different neighborhoods and put cards in mailboxes of homes that she found appealing. One such home was the subject property owned by Olivia Boykin. Mr. and Mrs. Gladden attempted to negotiate the purchase of this home directly with Ms. Boykin in an effort to avoid paying real estate agent commissions. Ms. Boykin refused to negotiate with the Gladdens unless they went through a real estate agent. The Plaintiffs then approached Deborah Appleton of Bob Capes Realty, Inc. about representing them in this transaction.

The asking price for the property was \$499,000. Mrs. Gladden prepared a worksheet from which she determined to make an offer for the house for \$434,630 based on various deductions. The items listed to justify the low offer included the following items:

There were six houses on the market on Hunt Club Lane at the time:
Realtor fees, Landscaping, Exterior paint/scrape, Clean, Replace rot, Paint Shutters – replace front, Gutters – lack of, Age of HVAC, Dated – no updating since built (except surface seat in kitchen, mantle, stove), Hardwood floors not kept up (especially kitchen), No changes to bedroom or kitchen, Kitchen cabinets rough – need repainting, countertops replaced, Paint, painted wallpaper, Rotted wood – dormers and around door off den to patio. Average quality building materials used.

On September 21, 2006, the Plaintiffs made an offer to Ms. Boykin in the amount of \$434,630. Ms. Boykin rejected that offer and through a series of counter offers, the Plaintiffs

agreed on October 12, 2006 to pay \$495,000 for the purchase of this home. Under the terms of the Offer to Purchase, Plaintiffs had the option to have a home inspection conducted. The contract also required the Seller to provide a South Carolina Wood Infestation Report along with a heating and air conditioning inspection.

Ms. Appleton provided Mrs. Gladden the names of two home inspectors, Mr. Outlaw and Mr. Roberts. Ms. Appleton described Mr. Outlaw as the "hardest but best" (see Exhibit 1, Vera Gladden depo. March 10, 2008 p. 144 L. 9-17). Ms. Gladden contacted Mr. Roberts, owner of Palmetto, and interviewed him over the phone. She then interviewed Mr. Outlaw (Exhibit 1 p. 165 ll. 9-14). After interviewing Mr. Roberts and Mr. Outlaw, Mrs. Gladden decided to hire Mr. Roberts.¹

Mr. Roberts inspected the home for the Plaintiffs on October 18, 2006. Mrs. Gladden was present at the time of the inspection. At the end of the inspection, but prior to discussing the inspection results, Mrs. Gladden read and signed the Palmetto Home Inspection Services, LLC Real Estate Inspection contract (Exhibit 1 p. 206-207, ll. 13-4) (see Palmetto Contract attached as Exhibit 2). An important provision in that contract is titled "Limit of Liability." That section reads as follows:

LIMIT OF LIABILITY It is understood and agreed that should PHIS, LLC and/or its agents or employees be found liable for any loss or damages resulting from a failure to perform any of its obligations, including, but not limited to negligence, breach of contract or otherwise, the liability of PHIS, LLC and/or its agents or employees shall be limited to a sum equal to the amount of the fee paid by the client for this inspection and report.

The Gladdens paid Palmetto \$475.00 for the inspection.

Following the receipt of the Palmetto Inspection Report, the Plaintiffs prepared and addendum to the contract asking the Seller to repair certain items identified in the inspection.

report. The Plaintiffs and the homeowner negotiated various items and ultimately reached a resolution as to what items would be repaired and which items the seller would provide a credit to the Plaintiffs for. The Plaintiffs also received a South Carolina Wood Infestation Report (CL-100) prepared by Terminix Services, Inc.

The CL-100 was dated October 30, 2006. The Plaintiffs acknowledged receiving the CL-100 on the date of closing, November 22, 2006. The CL-100 report identified evidence of damage and indicated that the damage "will not be corrected by this company; recommend that structure be thoroughly and completely evaluated by qualified building expert, licensed or registered with the South Carolina Department of Labor, Licensing and Regulation Residential Builders Commission and that needed repairs be made." The report specifically listed water damage to portions of the sill, sub-floor and floor joist near the dirt-filled porch in the front, the brick patio in the back, and under the laundry room. There was also some damage to the roof decking under the exhaust fan in some places where the roof changed angles. Despite Terminix's recommendation that the Plaintiffs' have the home inspected by a licensed, qualified building expert, the Plaintiffs proceeded to close on the house without such an inspection.

The Seller retained Ski Construction to make repairs to the sub-structure identified by Terminix as well as the items identified in the Palmetto Report which the Plaintiffs and Seller agreed to repair. Unfortunately, Ski Construction is not a licensed builder, has no insurance, and either did not perform the repairs sufficiently or did not repair them at all.

On the date of closing, the Plaintiffs expressed concerns about whether or not the repairs were done properly and sufficiently. Plaintiffs allege both Ms. Appleton and Ms. Beard assured them the repairs were done. Plaintiffs' concerns were relayed through their attorney, Thomas

¹ After interviewing two home inspectors and selecting one, Plaintiffs cannot legitimately claim they had no option other than agree to the terms of the Palmetto contract.

Sprott, to Ms Boykin s attorney in Camden Neither Ms Boykin nor her attorney were present at closing When the Plaintiffs continued to express concerns, Ms Boykin told the Plaintiffs she was willing to cancel the closing However, the Plaintiffs chose to move forward with the closing

Following the closing, the Plaintiffs moved into the residence over Thanksgiving weekend 2006 Mr Gladden's brother is in the construction business and he assisted Mr Gladden in moving some of his furniture While at the house, Mr Gladden asked him to inspect the crawl space repairs Mr Gladden's brother determined that the repairs to the crawl space were not properly performed

On November 29 2006, Mrs Gladden contacted Mr Roberts to express her concerns about items she perceived to have been not disclosed or under-disclosed in the Palmetto Report During that conversation Mr Roberts offered to refund the Plaintiff's the amount they paid for the inspection Mr Roberts then met with Mrs Gladden and gave her a check for \$475 00 Plaintiffs cashed that check

STANDARD OF REVIEW

Rule 56(c) provides Summary Judgment is proper when there is no genuine issue as to any material fact and the moving party is entitle to judgment as a matter of law Dawkins v Fields, 354 S C 58, 69, 580 S E 2d 438-39 (2003), (citing Boughman v American Tel and Tel Co., 306 S C 101 410 S E 2d 537 545 (1991)) In determining whether Summary Judgment is appropriate, the evidence in its reasonable inferences must be viewed in the light most favorable to the non-moving party Id at 115, 410 S E 2d at 545 The moving party is entitled to Summary Judgment when the non-moving party has failed to make a sufficient showing on an essential element of their case with respect to which they have the burden of proof Id

Analysis

THE PLAINTIFFS ARE BOUND BY THE TERMS OF THE
CONTRACT BETWEEN PLAINTIFFS AND PALMETTO

It is well established in South Carolina that parties to a contract have a duty to read the contract and learn its contents before signing it. "As early as 1924, this Court recognized that every contracting party owes a duty to the other party to the contract and to the public to learn the contents of a document before he signs it." Burwell v. South Carolina Nat'l Bank, 288 S.C. 34, 39 S.E.2d 786, 789 (1986). The Court deems a party's failure "to do so [as] inexplicable." Id. It is undisputed that Plaintiff Vera Gladden signed the contract with Palmetto. It is also undisputed that Ms. Gladden read the contract prior to signing it and agreed to the terms of the contract. The following exchange took place with Ms. Gladden at her deposition:

Q So you read the contract and after reading it, you signed it?

A Yes

Q And agreed to the terms of that contract, correct?

A I signed it, yes

Q And by signing it, you agreed to the terms of that contract, correct?

A Yes

(Exhibit 1 p. 204, ll. 2-7)

Mr. Gladden testified that his wife reads contracts before she signs them (see Exhibit 3 Thomas Gladden Deposition January 22, 2008 p. 238, ll. 7-9). Indeed, he testified as follows with regard to his wife's practice of negotiating and reading contracts:

Q And she --- does she just outright accept every contract or does she question issues she doesn't understand?

A Sir, I think you will find her very discriminating.

Q Alright So she would --- if she had a question, she would raise it She would negotiate with someone on a contract?

A Yes (Exhibit 3 p 238, ll 10-15)

It is further undisputed that Palmetto gave the Plaintiffs a sum equal to the amount of the fee charged to the home inspection (Exhibit 3 p 240, ll 9-22) (Exhibit 1 p 212, ll 5-8)

Another contract provision reads as follows

AGREEMENT

This contract represents the entire agreement between Palmetto Home Inspection Services, LLC and the client, PHIS, LLC is not responsible for the repair replacement or alteration of any item within or upon the inspected property **The client acknowledges that they have read and understood the extent and limitations of this inspection and agree to all of the limitations, terms and exclusions contained within this contract** (See Exhibit 2) emphasis added

The contract with Palmetto was signed by Ms Gladden and must be enforced See Jaffe v Gibbons 290 S C 468 351 S E 2d 343 346 (1986) Peddler, Inc v Rykerd, 266 S C 28, 221 S E 2d 115, 117 (1975)

ENFORCEABILITY OF THE LIABILITY PROVISION OF THE CONTRACT

Agreements limiting or exempting liability are enforceable 17a C J S Contracts §271 (2007) South Carolina Law enforces exculpatory clauses when clear language indicates the intent of the parties South Carolina Electric & Gas Company v Combustion Engineering, Inc., 283 S C 182, 191, 322 S E 2d 453 458 (Ct App 1984) It, Combustion Engineering, Inc , the South Carolina Court of Appeals enforced the language of an exculpatory clause which exempted the Defendant for liability for negligent manufacturing

In a case squarely on point, Pride v Southern Bell Telephone and Telegraph Company, 244 S C 615, 138 S E 2d 144 (1964), the Supreme Court enforced a contract which limited

liability arising out of the publication of paid advertisements in the yellow pages to only the amount paid for the advertisement. In Pride, the contract for services contained a provision whereby the parties agreed that the liability of the telephone company "on account of errors in or omissions from such advertisement, should in no event exceed the amount of the charges for such advertisement which was omitted, or in which the error occurred in the then current issue." Id. at 619, 138 S.E.2d at 156. The Supreme Court explained that exposure to liability is wholly a matter of private contract and that exculpatory clauses between private parties do not violate public policy. Id. at 621, 138 S.E.2d at 157. In this case, the Supreme Court enforced a contract which limited liability to the amount provided for in the contract. This Court must hold likewise.

Recently, the Court of Appeals in McCune v. Myrtle Beach Indoor Shooting Range, Inc., 364 S.C. 242, 612 S.E.2d 462 (Ct. App. 2005) held that an exculpatory clause was sufficient to release the Defendant from all liability arising out of injuries a patron sustained while participating in a paintball game. In McCune, the Court held that exculpatory clauses in contracts also barred actions for negligence resulting in personal injuries. The Court of Appeals recognized that even though exculpatory clauses may be disfavored by the law, such clauses are enforceable in South Carolina. The Court further reaffirmed that exculpatory clauses between private parties do not violate public policies.

OTHER STATES ENFORCE EXCULPATORY CLAUSES IN HOME INSPECTION CONTRACTS

Courts routinely enforce exculpatory clauses involving contracts or home inspection services. In Baker v. Roy H. Haas Assoc., Inc., 629 A.2d 1317 (MD 1993) the Court upheld a limitation of liability clause in a contract limiting damages to the amount of \$250. In Baker, the

Court quoted Dean Prosser who pronounced that public policy allows parties to contract away liability as they see fit Id at 1320 (Citing Prosser, Law of Torts, 3rd Ed (1964) §67, P 456))

The Supreme Court of New York in two cases, recently affirmed that a homebuyer's damages are limited to the amount provided for in the contract In Netti v Le Frois, 303 A D 2d 971 (N Y 2003) the Court held at a homebuyer was limited to \$250, based on the terms of the agreement for any alleged faulty or negligent inspection of the home inspector In Rector v Calamus Group, Inc 17 A D 3d 960, (N Y 2005) the Supreme Court held that a home inspector was only liable for the amount provided for in the contract, which limited liability to \$205

These Court s limited damages to the amount set forth in the inspection contract, regardless of whether the Plaintiff asserted causes of action based in tort or in contract See Baker, supra, Netti, supra, Rector, supra In the case at bar, the agreement provided "It is understood and agreed should PHIS, LLC and/or its agents or employs be found liable for any loss or damages resulting from a failure to perform any of its obligations including but not limited to negligence, breach of contract, or otherwise, the only liability of PHIS, LLC and/or its agents or employees should be limited to a sum equal to the amount of the fee paid by the client for this inspection and report (See Exhibit 2) This language is clear and explicit. The Plaintiffs paid \$475 for this home inspection It is undisputed that Palmetto issued a check to the Plaintiffs in the amount of \$475 and that the Plaintiffs cashed that check

SOUTH CAROLINA STATUTORY LAW ALLOWS
DEFENDANT PALMETTO TO CONTRACTUALLY LIMIT
THE SCOPE OF ITS RESIDENTIAL HOME INSPECTION

South Carolina expressly allows a licensed home inspector, such as Palmetto to contractually limit the scope of its home inspection South Carolina Code Annotated §40-59-500(4) defines a 'home inspection' to mean

The rendering of a written or oral report in exchange for compensation of any sort, regarding the condition of the construction or improvements to a residence including but not limited to structural problems or conditions, damage safety problems deterioration, equipment and systems that are **visible and readily accessible** Home inspection does not include a contract or proposal for repair renovation or remodeling of the improvements to a residence **The parties to a home inspection may limit or expand the scope of the inspection by agreement**

(Emphasis added)

In this case, the Plaintiffs signed the contract which defined and limited the scope of the home inspection including Palmetto's liability for any claims arising from the home inspection

SOUTH CAROLINA LAW AND PUBLIC POLICY FAVOR
THE ENFORCEABILITY OF CONTRACTS

Well established law and public policy of South Carolina requires this Court to enforce the language of the contract between the Plaintiffs and Palmetto When the language of a contract is plain and capable of legal construction, that language alone determines the instrument's force and effect The Court's duty is to enforce the contract made by the parties regardless of its wisdom or folly, apparent unreasonableness, or the parties' failure to guard their rights carefully' Ellis v Taylor, 316 S C 245, 248, 449 S E 2d 487, (1994)

A sound public policy requires the enforcement of contracts deliberately made which do not clearly contravene some positive law or rule of public morals Romanus v Biggs 214 S C 145 51 S E 2d 503 (1949) As former Chief Justice Littlejohn so eloquently stated

The Court should exercise judicial restraint and stay out of the field of legislation as it relates to contracts unless the agreement is manifestly injurious to the public welfare since it is the policy of the law to hold persons to contracts to which they are voluntary parties Almers v South Carolina National Bank of Charleston 265 S C 48 60, 217 S E 2d 135 141 (1975)

In this case the South Carolina General Assembly has expressly allowed a licensed home inspector in South Carolina to limit the scope of an inspection The General Assembly does not preclude home inspectors from limiting its liability through contract South Carolina law routinely enforces exculpatory clauses in contracts between businesses and individuals and this Court should do the same See McCune v Myrtle Beach Indoor Shooting Range, Inc., 364 S C 242 612 S E 2d 462 (Ct App 2005) Pride v Southern Bell Telephone and Telegraph Company 244 S C 615, 138 S E 2d 144 (1964) South Carolina Electric & Gas Company v Combustion Engineering, Inc., 283 S C 182, 191 322 S E 2d 453 458 (Ct App 1984)

CONCLUSION

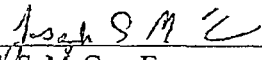
This Court should enforce the contractual relationship between the parties as set forth in the agreement No provision in the agreement is manifestly injurious to the public welfare such that this Court could declare it void as a matter of law The language of the agreement clearly defines the scope on home inspection and clearly limits Plaintiffs' damages to the amount paid for the home inspection An amount which is undisputedly been paid to the Plaintiffs It is this Court's duty to enforce the language of the agreement Courts are not in the business of undoing contracts Justice and freedom of contract would require this Court to honor the written signed and executed agreement between the parties Because the terms of the contract are clear,

unambiguous and not in contravention of any public policy, this Court should grant Palmetto's
Motion for Summary Judgment

Respectfully submitted

COLLINS & LACY P C

By



Joseph S. McCue, Esquire
Christopher M. Adams, Esquire
1330 Lady Street - Suite 601 (29201)
Post Office Box 12487
Columbia, South Carolina 29211
(803) 256-2660

ATTORNEYS FOR DEFENDANT PALMETTO
HOME INSPECTION SERVICE, LLC

Columbia, South Carolina

December 1, 2009

STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS
COUNTY OF KERSHAW) FIFTH JUDICIAL CIRCUIT
2007-CP-28-0288

THOMAS W GLADDEN AND VERA)
GLADDEN,)

PLAINTIFFS,)

VS)

TRANSCRIPT OF RECORD

OLIVIA M BOYKIN ELIZABETH A)
BEARD DEBORAH APPLETON BOB)
CAPES REALTY, INC RUSSELL)
AND JEFFCOAT REALTY, INC AND)
PALMETTO HOMES INSPECTION)
SERVICES, LLC,)

DEFENDANTS)

DECEMBER 3, 2009
COLUMBIA, SOUTH CAROLINA

B E F O R E

THE HONORABLE ALISON RENEE LEE, JUDGE

A P P E A R A N C E S

B MICHAEL BRACKETT, ESQUIRE
ATTORNEY FOR THE PLAINTIFFS

JOSEPH S McCUE, ESQUIRE
ATTORNEY FOR DEFENDANT PALMETTO HOME INSPECTION

CATHARINE H GARBEE GRIFFIN, ESQUIRE
ATTORNEY FOR DEFENDANTS APPLETON, BOB CAPES REALTY

WILLIAM JONATHAN HARLING, ESQUIRE
ATTORNEY FOR DEFENDANTS BEARD, RUSSELL AND JEFFCOAT

WILLIAM S TETTERTON, ESQUIRE
ATTORNEY FOR DEFENDANT BOYKIN

ELIZABETH B HARRIS, CVR
CIRCUIT COURT REPORTER

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<u>NO</u>	<u>DESCRIPTION</u>	<u>I D</u>	<u>EV</u>

NO EXHIBITS INTRODUCED

1 THE COURT Good afternoon This is a Kershaw County
2 case, docket number 2007-CP-28-288, *Thomas W Gladden and*
3 *Vera Gladden vs Olivia Boykin Elizabeth Beard, Deborah*
4 *Appleton, Bob Capes Realty, Incorporated Russell and*
5 *Jeffcoat Realtors and Palmetto Home Inspection Services,*
6 *LLC* The plaintiffs are represented by Michael Brackett
7 The defendant Palmetto Home Inspections is represented by?

8 MR McCUE Joey McCue

9 THE COURT And Bob Capes and Deborah Appleton are
10 represented by Catharine Griffin

11 MS GRIFFIN Yes, Your Honor

12 THE COURT Olivia Boykin is represented Mr
13 Tetterton, William Tetterton, and that leaves Elizabeth
14 Beard and Russell and Jeffcoat as represented by -- there
15 you go

16 MR HARLING John Harling Good to see you, Your
17 Honor

18 THE COURT Good to see you

19 Counsel, I knew that this case was on the roster I
20 did not know the number of motions that were involved until
21 I picked up the file yesterday And so there is no way I
22 can hear all five of the summary judgement motions that are
23 out there, and so basically I made a list The two that I
24 picked were basically the first two that were filed And
25 they also happen to be related, and that would be Mr

1 Brackett's motion for partial summary judgment on a legal
2 liability issue, and Palmetto Homes' motion for summary
3 judgment

4 And those two, from what I could tell by reading the
5 documents, seen to be related in issue, and I figure it
6 made more sense to do those And to the extent that my
7 office called and asked that you all send briefs, I
8 appreciate the fact that you sent them as quickly as you
9 did It was only after I realized that none of them had
10 been heard that I had to whittle them down

11 I have asked both -- I've notified Ms McDonald over
12 in Kershaw because I know because of the budget nobody's
13 travelling over there And I know that Judge Cooper has
14 recused himself, so that means anybody who hears this case
15 from this circuit is going -- you either have to come over
16 here, or some point the court, the Supreme Court will have
17 to allow a judge to travel to Kershaw

18 So, I have notified her that I could not get all the
19 motions heard I've notified our clerk's office, because
20 they'll have to coordinate with scheduling, that I could
21 not hear all of them

22 There is a term in January the 11th, and I've asked
23 them to try to schedule that then I suspect, and I know I
24 shouldn't say it out loud I suspect that if it's not
25 heard that week, it will fall to me the following week

1 So, I have a nonjury week It's a short, it's a short
2 week It's also the week of the Bar, so there are only two
3 days that I can hear nonjury that week of the Bar meeting
4 And so if it doesn't fall during the week of the 11th, it
5 will probably fall the week of the 18thI

6 And I know there is a common pleas jury term in
7 Kershaw County in February, of which I'm supposed to be the
8 judge there I think that's the first term So, I may end
9 up seeing this case more than once

10 But anyway, I just wanted to tell you how much I
11 appreciate your pulling everything together so quickly
12 And I'll do what I can to move as promptly as possible

13 Having said all that then, I'll turn to Mr Brackett
14 for your motion

15 MR BRACKETT Thank you You may it please the
16 court? I represent Tommy and Vera Gladden Mr Gladden is
17 the principal at Lugoff-Elgin High School

18 Very briefly, in the fall of 2006, the Gladdens
19 entered into a contract to purchase a house over in Camden
20 from Defendant Boykin And for purposes of this particular
21 summary judgement motion, after the contract was entered,
22 the contract provided for the Gladdens to have the
23 opportunity to do an inspection The Gladdens retained the
24 defendant Palmetto Home Inspection Services to conduct the
25 home inspection

1 The facts related to that home inspection are set out
2 on page, essentially on page 2 of the memorandum of law
3 that was actually filed with the motion It was clocked in
4 June the 20th, 2008

5 THE COURT Yes I have that

6 MR BRACKETT And all of that information came from
7 the deposition of Mr Roberts, who is the owner of
8 Defendant Palmetto

9 THE COURT And I have the original of his deposition,
10 was in the Kershaw County file

11 MR BRACKETT Yes, ma'am I filed it, along with the
12 motion Exhibit 4 to that deposition is the contract at
13 issue for this motion

14 There is a limit of liability paragraph set out in
15 that exhibit It's the second to the last paragraph, and
16 it purports to limit any damages to my clients that would
17 stem from, resulting from the failure of the inspection
18 company to perform any of its obligations, including
19 negligent breach of contract or otherwise, regardless of
20 the nature of the liability It purports to limit the
21 remedy to a refund of the fee paid for the inspection In
22 this case \$475

23 The evidence that we've established in the record is
24 that, based upon what we view, what we allege the defendant
25 inspection company's liability to be is probably in excess

1 of 50, maybe upwards of \$70,000 for damages that were, that
2 were later discovered that my clients were not told about
3 So, Palmetto has raised the limit of liability issue as a
4 defense in the case, seeking to get out upon payment of a
5 refund of the money

6 I filed a summary judgement motion asking that the
7 court rule as a matter of law on the matters of the
8 unenforceability of that limit of liability provision
9 because I believe it is a matter of law for the court to
10 determine whether this contract is unconscionable, or
11 whether it's in violation of the public policy

12 Mr McCue filed a cross-summary judgement motion
13 asking that the court rule that the limit of liability
14 provision is enforceable as it reads And that the only
15 responsibility of his client would be to refund the fee
16 So, that's the posture, I guess, of these cross-summary
17 judgement motions

18 Now, so the precise issue in this case, Your Honor, is
19 whether or not a limit of liability provision in a home
20 inspection contract is enforceable Or whether, under the
21 circumstances of this case, to enforce that provision would
22 be unconscionable, or it would violate public policy

23 There is no case in South Carolina that addresses the
24 question There are cases that deal with similar issues
25 having to do with purely commercial transactions and I

1 think both Mr McCue and I both cite those cases There's
2 the paint ball case from Myrtle Beach, and there was a
3 Yellow Pages case I think that's the Price case that said
4 exculpatory agreements are enforceable, at least in those
5 contexts, but not -- none of them address the context of
6 this particular case where we have a personal service
7 professional contract signed under conditions we have here

8 Now, I would point out to the court that we take the
9 position that this was an adhesion contract If you look
10 at the facts as they are set out in Mr Roberts's
11 deposition, this was a preprinted form He filled in the
12 blanks The form was not signed until after the inspection
13 was done And by his own admission, if you don't pay your
14 fee, you don't get the report So, it's obviously a
15 take-it-or-leave-it contract

16 The damages, the potential damage that a homeowner
17 could suffer by way of a failure of an inspector to pick up
18 on things is grossly disproportionate to what the remedy
19 provided by this provision would be \$475 versus damages
20 that run well up into the tens of thousands of dollars
21 And the cases say that that is, you know, that is a factor
22 in determining adhesion contracts and whether or not a
23 contract is unconscionable

24 Whether or not this sort of contract violates public
25 policy is also a novel question in this state Home

1 inspections are deemed by South Carolina law to be
2 something a little bit special, and we know that because
3 there's a whole section in the code that governs the
4 licensing and the regulation of the home inspectors And
5 they are deemed to be, these particular home inspections
6 are deemed to be a risk to the home-buying public, so much
7 so that our legislation deemed it appropriate to regulate
8 them

9 They are, inspectors are deemed by law to be
10 professional service providers who, according to the case,
11 cases that I've cited in my memorandum, are held to higher
12 standard of care than just any old person out there who
13 assists a home buyer

14 Now, Defendant Palmetto argues that, well, this was a
15 contract Contracts are contracts The language is clear,
16 and so it ought to be enforced without regard to any
17 considerations of unconscionability or public policy
18 South Carolina law holds, though, Your Honor, that any
19 contract in South Carolina, any provision in any contract
20 in South Carolina that is it deemed to be unconscionable or
21 against public policy will not be enforced It is an
22 exception these are exceptions to the general rule of the
23 ability to contract in South Carolina So, if it's
24 unconscionable, it's against public policy -- regardless of
25 what the contract says -- it's not enforceable

1 Defendant Palmetto cites cases from Maryland and New
2 York dealing with the enforceability of either limited
3 liability clauses or exculpatory clauses in home inspection
4 contracts I've cited two other cases, also outside
5 jurisdiction One's a Mississippi case That's *Pitts*, and
6 the other is *Lucier*, which is a New Jersey case The
7 difference between the two sets of cases, Your Honor, is
8 that those cases cited by Defendant Palmetto make no
9 mention of home inspectors being licensed and regulated in
10 those states It just seems to be a different, a different
11 level, I guess, of the protection of the public in those
12 states than we have here in South Carolina Those, those
13 cases are merely silent

14 And I would point out that in the *Baker* case, the
15 Maryland case that Mr McCue cites, the opinion says that
16 Home inspection services do not fall under
17 the realm of a public duty or concern the
18 public interest

19 Now, I take the position that, based upon our
20 licensing and regulatory statutes, our legislature says, in
21 effect, home inspections fall under the realm of public
22 duty, and they are concerned with the public interest The
23 *Netti*, N-e-t-t-i, case out of New York that they cite, that
24 opinion specifically said that

25 The plaintiff in that case failed to raise

1 an issue of fact concerning enforceability
2 of the limited liability provision

3 Although that provision in that case was enforced, the
4 court said, well we really didn't have any reason not to
5 enforce it because the plaintiff didn't raise that issue to
6 us And there was no issue of fact placed on the record,
7 so it wasn't considered It wasn't addressed It wasn't
8 decided in that case

9 And the same is true of the *Rector* case, also from New
10 York, where that court specifically said that the plaintiff
11 had failed to present any of these particular arguments for
12 making -- to present these particular issues to the court
13 for a decision

14 On the flip side, Your Honor, the two cases I've
15 cited, *Lucier* and *Pitts*, they deal extensively and
16 explicitly with issues of unconscionability and public
17 policy, the exact issues I'm raising in this case In each
18 of those cases, I would point out the trial court enforced
19 the provision and was going to limit the homeowner, the
20 home buyer to a miniscule recovery of a returned fee In
21 both cases, the appellate courts reversed the trial court
22 and held that those provisions were unconscionable and in
23 violation of public policy and could not be enforced and
24 would not be forced That is precisely the decision I'm
25 seeking from this court because of the factors that I've

1 just mentioned I'm happy to answer any questions you
2 might have

3 THE COURT Thank you

4 Mr McCue

5 MR McCUE Yes, Your Honor When we were preparing
6 for this and I sent my memo in, I was anticipating all the
7 arguments would be heard at one time, and then the court
8 would get a flavor of the overall case and the nature of
9 the transactions as they occurred Since we're breaking
10 them up, I want to do a couple of things I want to
11 incorporate the statement of facts there were provided on
12 behalf of Russell and Jeffcoat and Bob Capes to the extent
13 my memo, I referenced facts in the case that aren't
14 specifically cited with exhibit references in my memo

15 Let me, let me step back for just a minute and give
16 you a background, Your Honor Ms Gladden and Mr Gladden
17 lived in Winnsboro During that period of time, Ms
18 Gladden was a licensed real-estate agent, at least for a
19 period of time This -- they have owned, I believe, three
20 homes, this being their third Mr Gladden took the job as
21 principal at Lugoff-Elgin High School, at which time Ms
22 Gladden, whose, whose background in education is in nursing
23 but who was not working in the field, she had the time to
24 come over the Winnsboro -- to Camden and look for houses
25 And she undertook to go around people's houses, in the

1 homes, and look and try and make a determination as to
2 where they ought to live

3 They -- part of her effort included putting cards in
4 peoples' houses or, you know, doors or mailboxes for houses
5 that she found attractive that essentially said we're
6 moving to Camden Your house is attractive If you're
7 interested in selling your house, please contact me They
8 were doing this in an effort in part, Your Honor, to avoid
9 paying real-estate fees

10 As a result of a card left in Ms Appleton's mailbox,
11 Ms Appleton, who is a real-estate agent in the Camden
12 area, contacted Ms Gladden and said I'm not interested in
13 selling my house But there is a house in the neighborhood
14 that's not yet on the market, but it's about to go on the
15 market And if you're interested, maybe we can work
16 something out with the owner and see the house Ms
17 Gladden figured out which house that was, and she contacted
18 Ms Boykin, the seller, in an effort to deal directly with
19 her without the benefit of a real-estate agent

20 At that time, Ms Boykin said I'm not going to sell my
21 house without going through my real-estate agent, Ms
22 Beard So, if you want to deal with -- you know, want an
23 opportunity to go look at the house, you need to go through
24 a real-estate agent, go through Ms Beard, and then that
25 process was set up

1 The asking price for the house initially was \$499,000
2 Mr and Ms Gladden looked at the house, and they prepared
3 a list of items which they felt devalued or detracted from
4 the value of the house And they determined, as a result
5 of that inspection, that they would make an offer for
6 \$430,000 for the house The items were listed in my memo
7 After a series of negotiations, plaintiffs agreed on a
8 price of \$495,000, and they entered into a contract on
9 October 12th

10 The contract in provision 9(a), paragraph 9(a)
11 provides the option for the plaintiffs to have the home
12 inspected by a home inspector or anybody of their choosing
13 9(b) requires the seller provide a South Carolina wood
14 infestation report which is on a form called CL-100,
15 commonly known in the industry as a termite letter

16 Ms Gladden asked her real-estate agent for
17 suggestions as to -- or people who could come and do an
18 inspection in the area She was given the names of two
19 people, Mr Outlaw and Mr Roberts Mr Roberts is the
20 owner of Palmetto

21 Ms Gladden contacted Mr Roberts, interviewed him on
22 the phone about his inspection services Then she
23 contacted Mr Outlaw, interviewed him about the inspection
24 services And as a result of conversations of
25 conversations with them and her real-estate agent, she

1 decided to select Mr Roberts to do the inspection

2 The inspection was scheduled and set up Excuse me
3 Excuse me, Your Honor It was scheduled and set up for
4 October the 18th When Mr Roberts arrived, there were a
5 number of parties there Ms Boykin was there I believe
6 both real-estate agents were there, and Ms Gladden was
7 there Mr Roberts was there for about three or four hours
8 doing his inspection, during which time the other parties
9 were essentially sitting in the living room and talking

10 At the end of Mr Roberts's inspection but before he
11 related the results of his inspection, Ms Gladden, who had
12 -- who was not there when he started his inspection, was
13 given the contract She read it She signed it she
14 initialed it in two places She paid him \$475, and then he
15 verbally told her what he had found and showed her some
16 digital pictures of things he had seen during his
17 inspection

18 It's undisputed that prior to signing the contract,
19 Ms Gladden read it, considered it, and signed it Now,
20 it's interesting that, and important to note, there was
21 nothing compelling Ms Gladden to agree to the terms of the
22 contract with Mr Roberts and Palmetto She knew of at
23 least one other inspector in the Camden area who was
24 willing to come out and do the inspection Mr Outlaw
25 Undoubtedly, there are numerous others in the Camden,

1 Kershaw, Richland County area who would have been -- who
2 would have willingly gone and inspected this house So, in
3 a way she's like a child in front of a candy counter, and
4 she picks out which one she wants She chose Mr Roberts
5 to do the inspection

6 He prepared an inspection report Provided it to the
7 plaintiffs As a result of their review of the inspection
8 report, he and the plaintiffs prepared to an addendum to
9 the contract asking Ms Boykin to repair a list of items
10 identified by Mr Roberts, some of, some of which the
11 plaintiffs were going to take care of themselves or found
12 insignificant But other ones, they wanted Ms Boykin to
13 take care of They negotiated and ultimately reached a
14 resolution on that issue

15 Now, a couple of interesting things about the home
16 inspection and the contract with Palmetto, both of which
17 say if there's damage

18 We recommend that if there are any visual
19 problems observed, they should be verified
20 with the appropriate contractor or
21 electrician, plumber, or skilled
22 professional for cost estimates and code
23 compliance

24 And that's important because ---

25 THE COURT Is that, that's a provision in the

1 contract?

2 MR McCUE Yes, ma'am, that's a provision in the
3 contract, Your Honor It is on the -- it's a one-page
4 contract, and it is the paragraph right above the bolded
5 writing that says limit of Liability in all caps

6 THE COURT I see

7 MR McCUE Okay, and those are Ms Gladden's initials
8 beside that provision, Your Honor So, clearly they knew
9 this is not an exhaustive inspection This is an
10 inspection, as it reads in the first paragraph A visual,
11 limited visual inspection of the property

12 Now, we've addressed two other provisions in the
13 contract that are important One is the liability
14 provision As you'll note, Your Honor, that provision, the
15 title of that provision is in all caps and bold It's,
16 it's clear, unambiguous, and it's not hidden

17 There's another bold heading below limits of liability
18 that reads agreement And that paragraph reinforces the
19 fact that Ms Gladden, or anyone signing this contract, has
20 read the contract, understands the terms of the contract,
21 and agrees to it

22 The case law in South Carolina, Your Honor, is clear
23 that people are bound by the contracts they've read The
24 *Burwell* case cited in my memo, there's a quote that says

25 As early as 1924, this court recognized that

1 every contracting party owes a duty to the
2 other party to the contract and to the
3 public to learn the contents of the document
4 before he signs it

5 Mr Gladden, in his deposition, testified that his
6 wife would read contracts before she signed them She
7 wouldn't outright accept them unless she liked them, and
8 she would negotiate items that she felt needed to be
9 negotiated She's not an unsophisticated party, nor is her
10 husband She was a licensed real-estate agent in South
11 Carolina She contacted and interviewed two home
12 inspectors before selecting Palmetto She read the
13 contract, and she signed it prior to receiving the results
14 from Palmetto, and she and her husband should be bound by
15 the terms of the agreement they had reached

16 Let me address the two issues that are raised in the
17 plaintiffs' argument, and that's unconscionability and
18 public policy Unconscionability under South Carolina law
19 is

20 Characterized by the absence of meaningful
21 choice on the part of one party due to the
22 one-sided contract provisions, together with
23 the terms which are so oppressive that no
24 reasonable person would make them, and no
25 fair and honest person would accept them

1 Your Honor, and that comes from the *Lackey vs Green*
2 *Tree Financial* case that's cited in my memo

3 This case is not -- the facts of this case in this
4 contract do not lend themselves to a finding of
5 unconscionability of this contract This contract was not
6 tainted by the absence of any meaningful choice on the part
7 of the Gladdens As I said, she was a real-estate agent
8 She chose Palmetto after reviewing other home inspectors
9 There's no evidence in the record -- one of the factors,
10 Your Honor, is whether the parties are substantial business
11 concerns There's no evidence in the record either way as
12 to either party being a substantial business concern

13 Ms Boykin -- excuse me, Ms Gladden, after reading
14 the contract, had the choice to say no, at which point this
15 would have happened She would have contacted Mr Outlaw
16 or somebody else Mr Roberts would have gone home, having
17 learned the lesson get the contract signed before he spent
18 four hours looking at a house But there was nothing that
19 compelled her to sign that contract or agreement

20 The clause which limits liability is clear,
21 conspicuous, and unambiguous, and the terms are not so
22 oppressive that no reasonable person would make them, no
23 fair and honest person would accept them There's no
24 evidence from the plaintiff that this contract is any
25 different than any other contract offered by a home

1 inspector There's been no evidence that Ms Gladden was
2 under duress or undue influence to sign this contract
3 There's no evidence in the record that this home inspection
4 was necessary and essential in purchasing the home There
5 is no evidence the home inspector had not -- another home
6 inspector could not have been obtained to inspect

7 As it relates to public policy, Your Honor, let's step
8 back from where the plaintiffs jumped in and look at the
9 overarching public policy that holds that freedom of
10 contract in the United States to be a bedrock that's
11 fundamental to our society, not only in our personal
12 dealings with each other, but with our business dealings
13 with each other

14 The Supreme Court in the *Pride* case explained that
15 exposure to liability is, quote

16 Wholly a matter of private contract, and
17 that exculpatory clauses between private
18 parties do not violate public policy

19 This is not a contract, Your Honor, impacting the
20 public as a whole This is a contract between Palmetto and
21 the Gladdens for the inspection of one home in Camden,
22 South Carolina Sound public policy requires the
23 enforcement of contracts deliberately made which do not
24 clearly contravene some positive law or rule of public
25 morals

1 Your Honor, there is -- plaintiffs haven't pointed to
2 any law, statute, or policy of the state of South Carolina
3 that's violated by this contract The relationship between
4 Palmetto and the Gladdens arose by reason of private
5 contract and not by virtue of any duty Palmetto owes to the
6 public at large They weren't compelled to contract with
7 him, and was an arms-length transaction

8 Now, it's interesting there are no cases involving
9 home inspectors at the appellate court level or at the, or
10 at the appellate court level, but I did come across an
11 order of Judge James Johnson dealing with -- Your Honor,
12 may I approach?

13 THE COURT Yes, sir

14 MR McCUE Dealing with this very issue It's *Fred*
15 *Deans vs Preferred Home Inspection, Inc* And in that
16 order, Your Honor, Judge James ---

17 MR BRACKETT Your Honor, for the record, and pardon
18 the interruption For the record, I would object Your
19 Honor, these, you know, circuit court orders are not
20 precedent

21 THE COURT I understand it's not I understand it's
22 not precedent, yes, sir

23 MR McCUE This order, Your Honor, stands for the
24 proposition that such -- that these limits of liability
25 clauses and professional service contracts, and in

1 particular in home inspection contracts, are valid and not
2 unconscionable or working against public policy

3 As it relates to public policy, Your Honor, I found an
4 interesting case that was decided in August of this year
5 And in that case, it arises out of divorce proceedings
6 The husband and the wife entered into a written agreement,
7 under the terms of which neither party would -- may I
8 approach?

9 THE COURT Yes, sir

10 MR McCUE Neither party would raise the issue of
11 adultery as a bar to alimony in divorce proceedings And
12 it's interesting, Your Honor, because the wife in that
13 case, when she subsequently filed for divorce, the husband
14 moved during a point in the proceedings to block her
15 recovery of alimony or her entitlement to alimony because
16 under the laws of South Carolina, a spouse guilty of
17 alimony -- adultery is not entitled to alimony So, the
18 marriage contract as you know, Your Honor, marriage under
19 South Carolina law is a contract that's covered by the
20 statutes of South Carolina, not unlike the professional
21 services rendered by Palmetto

22 In that case, Your Honor, the court, as it has in
23 other cases involving similar clauses in agreements, upheld
24 the right of private parties to enter into contracts and
25 provisions in contracts that limited liability even though

1 the act of adultery would have normally under the laws of
2 the state prohibited the recovery of alimony

3 Your Honor, the contract is one that was entered into
4 by people engaged in a business in an arms-length
5 transaction Ms Gladden could have selected who she
6 wanted to do the home inspection She chose to do business
7 with Palmetto They presented no evidence that the terms
8 of this contract were unreasonable, were unconscionable
9 That no reasonable person would offer them, or no
10 fair-minded person would accept them

11 Your Honor, we're entitled to summary judgment on this
12 issue We have paid the plaintiff \$475 They have cashed
13 that check, and that is undisputed in the record Thank
14 you, Your Honor

15 THE COURT Let me ask you this Does it make any
16 difference at all if -- and I thought I read it some place
17 I may have read it very quickly -- that the company is
18 licensed or bonded or is otherwise insured in the
19 performance of the work? Would that make a difference in
20 terms of whether or not that clause would -- I understand
21 that it's there to provide basic protection to the company
22 But the fact -- and if someone's considering that they're
23 licensed and bonded and insured, would that have any effect
24 upon whether or not that clause would be against public
25 policy or unconscionable?

1 MR McCUE No, Your Honor

2 THE COURT And why is that? I guess I'm not going to
3 let you off with just ---

4 MR BRACKETT Because if it is, he loses That's
5 why

6 MR McCUE Thank you

7 Your Honor, licensed, bonded, and insured speaks not
8 to the right of recovery Licensed, bonded, and insured
9 speaks to there being sufficient funds to satisfy a
10 recovery In this case, Palmetto satisfied any entitlement
11 that the plaintiffs had to recover So, licensed, bonded,
12 and insured does not comply

13 THE COURT Say that again, say it one more time

14 MR McCUE Being licensed, bonded, and insured speaks
15 to the recovery of judgement, Your Honor It does not
16 speak to the entitlement to judgment The limited
17 liability clause states if they are entitled to judgement,
18 this is what they're entitled to, \$475

19 Mr Roberts has insurance, and if he is outside the
20 jurisdiction of the United States, and he is served by
21 publication, and his carrier is put on notice, his carrier
22 would have to appear in the courts of South Carolina Hire
23 an attorney to appear on his behalf And if there was a
24 finding of liability, they would have to pay the plaintiffs
25 \$475 That speaks to the source of recovery, not to the

1 entitlement

2 THE COURT Okay

3 MR BRACKETT Your Honor, that, that goes to the
4 basic fairness of this particular provision you've pointed
5 out And, by the way, Mr Roberts admitted in his
6 deposition testimony -- and that's set out here on page 2
7 of the memorandum -- that he held himself out as being
8 licensed, bonded, and insured His card that he gave to
9 Ms Gladden is Exhibit 3 to the Palmetto deposition

10 So, in essence, he comes around and says please hire
11 me I'm licensed, bonded, and insured And here, sign
12 this agreement where I only have to pay you \$400 if I screw
13 up the inspection and I'm about to cost you \$70,000 Now,
14 if that's not unconscionable, I mean, I'm at a loss to
15 determine what might be

16 Now, if you look at the terms of the contract, limit
17 of liability is not conspicuously set out in there It is
18 no more conspicuous than any other paragraph It's not in
19 bold It's not underlined It's not in italics It is a
20 provision just like any other provision in that contract
21 So, there is no conspicuous let me call your attention to
22 the fact that I'm only going to pay you \$475 if I do
23 everything wrong

24 The fact that the clients had the chance to say no --
25 I'd be willing to bet that in every reported case where a

1 contract has been challenged and held to be unconscionable
2 or against public policy, somebody in that contract, in
3 that situation read the contract and agreed to it And
4 then later the court said, well, we're not going to, we're
5 not going to hold you to that We're not going to hold you
6 to this bedrock of American jurisprudence that once you
7 sign a contract, you're bound by that contract No, there
8 are situations where contracts are not enforceable because
9 of unconscionability in violation of public policy That's
10 the law of South Carolina The *Simpson* case says that

11 So, every contract is subject to being challenged on
12 those grounds And the fact that somebody could have said
13 no and could have hired somebody else doesn't matter If
14 you sign a particular contract and that contract is later
15 determined to be unconscionable, then it's not enforceable,
16 regardless of what all the other options you may have had
17 at the time

18 The *Pride* case, freedom of contract, again that's a
19 Yellow Pages case That's, that's your standard, garden
20 variety commercial you pay me, I'll put your, I'll put your
21 ad in the Yellow Pages And then suddenly the ad doesn't
22 get there, and the business doesn't have an advertisement
23 until the next phone book is published Has nothing to do
24 with a professional service contract That's just a
25 standard business contract

1 Now, the law that governs these kinds of cases are
2 found, that law is found and fully analyzed in *Pitts* and
3 *Lucier*. Those courts went over it item by item
4 unconscionability, violation of public policy. And
5 basically it's a homeowner who gets stuck in a situation
6 like this and has suffered 70, \$80,000 worth of damages.
7 Should not be limited to \$475 when it turns out that the
8 inspector just did a lousy job.

9 THE COURT: Mr. Brackett, besides the deposition of
10 Mr. Roberts, is there other information I need to consider
11 from your point of view, other than the case law, of
12 course. Are there any other factual issues I need to
13 consider? Any other deposition excerpts or exhibits?

14 MR. BRACKETT: I won't -- whatever I have cited in the
15 -- there may be some in the memorandum I filed yesterday or
16 the day before makes reference to the general background
17 facts. Makes reference to testimony in Ms. Gladden's
18 deposition. I'll be happy -- that deposition is three
19 volumes, and it's, you know, a couple thousand pages long.
20 It's pretty, pretty long. I'll be happy to try to pull out
21 the, the particular pages and get that to you.

22 But most, most of my argument, Your Honor, rests with
23 -- on the admissions, quite frankly, of Mr. Roberts.

24 THE COURT: Okay.

25 MR. BRACKETT: In his deposition.

1 THE COURT And I'm flipping through what was provided
2 to me yesterday And the only thing I see is just, besides
3 the legal argument, are references to Roberts's deposition
4 is what I see

5 Mr McCue

6 MR McCUE Yes, Your Honor Briefly in response, Mr
7 Brackett has made some wild statements as to 50, 60, 80,
8 100, maybe make it a billion dollars, whatever he wants I
9 want to point out to the court there's no evidence in the
10 record before the court or anywhere else where any expert
11 has testified that any of the damages are attributable to
12 Palmetto So, when you take into -- I'd like you to factor
13 that in your analysis, Your Honor

14 That's no evidence as to the standard of care that he
15 referenced And really what he's doing is blending tort
16 theories and contract theories We're here on a contract
17 issue, Your Honor It's clear we're entitled to summary
18 judgement

19 THE COURT Are there any, other than I see in your
20 memorandum, Mr McCue, that you make some references to Ms
21 Gladden's deposition for factual background information
22 But is there anything other than Mr Roberts's deposition,
23 and of course the case law, that I need to consider in
24 determining the issues?

25 MR McCUE Your Honor, there's, there's some facts

1 set out and that are cited, specific ---

2 THE COURT I think in your introductory materials
3 there are some

4 MR McCUE Yes, ma'am, and there's some in the
5 memorandum submitted by Bob Capes and Russell and Jeffcoat
6 that are referenced at the beginning of my

7 THE COURT Right, and I think those might be the ones
8 that I'm referring to It's under the factual, the factual
9 statement It references page 144, page 165

10 MR McCUE Yes, ma'am Those are, those are
11 references specific to my memorandum

12 THE COURT Okay

13 MR McCUE But, Your Honor, Russell and Jeffcoat and
14 Bob Capes also have memorandum

15 THE COURT I see

16 MR McCUE And I incorporated factual recitations to
17 the extent they had more specific cites to the record than
18 I had in mine

19 THE COURT Was there, was there anything in the
20 plaintiff's deposition, particularly Ms Gladden's,
21 relating to the signing of the contract with Palmetto Home
22 Inspection?

23 MR McCUE Yes, ma'am, and that's cited in
24 memorandum Let me give you a page cite to that, Your
25 Honor

1 (A PAUSE)

2 MR McCUE Your Honor, on line -- on page 6 of my
3 memorandum, and I'll read it in the record here so that
4 it's clear The following exchange took place with Ms
5 Gladden

6 Question So, you read the contract, and
7 after reading it, you signed it?

8 Yes

9 And you agreed to the terms the contract,
10 correct?

11 She says yes

12 She said I signed it, yes

13 And by signing it, you agreed to the terms
14 of that contract, correct?

15 Answer Yes

16 And then Mr Gladden testifies when I asked him

17 Does she just outright accept every
18 contract, or does she question issues she
19 doesn't understand?

20 The answer is Sir, I think you will find
21 her very discriminating

22 Question All right, so she would -- if
23 she had a question, she would raise it? She
24 would negotiate with someone on a contract?

25 Answer Yes

1 THE COURT And I believe that those portions of the
2 deposition are attached?

3 MR McCUE Yes, ma'am

4 THE COURT Okay Anything else?

5 MR BRACKETT No, Your Honor

6 THE COURT Counsel, I will review this I have not
7 had the chance to read the case law yet, and so I will do
8 that and try to do that quickly and get you an answer as
9 soon as possible And it will probably, most likely end up
10 that I will request that someone prepare an order And I
11 will notify everyone about that as well And then I'll
12 double-check with the clerk's office again if I get any
13 other motions scheduled Thank you

14 (OFF THE RECORD)

15 THE COURT And just to let you all -- I do have the
16 file from Kershaw County So, if you all want to look at
17 the file, there's no need in going to Kershaw County
18 because I have it Thank you

19 --- END OF TRANSCRIPT OF RECORD ---

1 probably three different ones

2 Q Which one do you attend on the most regular
3 basis?

4 A I really haven't I've visited like three
5 different ones altogether, so

6 Q What are those three?

7 A Trying to remember the name of them
8 Lakeside Baptist And then a Methodist church in Kershaw
9 County -- or in Lugoff I don't remember the name of it
10 Maybe St Johns

11 Q Okay

12 A And the -- First Baptist in Camden, have
13 been the three that -- I'm Baptist, he's Methodist So I'm
14 not sure if I want to join the Methodist yet

15 Q Tell me about your experience in the real
16 estate business

17 A I took the real estate course back in, my
18 guess is about '96, I think it was -- '96 or '97 -- and
19 took the -- the little test you take at the end, got it

20 And then I was friends with a Ms Mary Ann Hayes
21 who owned the United County business in Winnsboro, and she
22 asked me if I wanted to come sit in her office and start
23 learning some things from her

24 So for a couple of months, I sent out brochure --
25 'cause United County sends you a list of clients that you

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1 can send brochures out to I did that and I went with her
2 on some showings

3 And I ended up showing, I think, probably four --
4 maybe four properties by myself And then I went to one
5 open house she had in Newberry I helped her with that
6 But that's about all I mean, that's about all I did

7 Now, as far as any contractual -- I mean, I never
8 listed anything or anything like that

9 Q You said you took the real estate course
10 Was that a prep class to take the real estate exam?

11 A It was a little weekend thing that you took,
12 however many weekends And I can't really how many little
13 classes it was And then they told you, you had to follow
14 up the second year and have another set of courses in order
15 for it to be really final, is what my understanding But I
16 didn't like it and didn't pursue it, so it didn't matter

17 Q Who offered the course?

18 A I can't remember I --

19 Q Where was it offered?

20 A It was a little building near where Dutch
21 Square Mall is And I don't -- like, I don't even remember
22 how to tell you It was a little strip mall, and that's
23 where they had the class

24 Q Was it offered through a technical school,
25 or was it offered through a state regulatory agency?

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1 A I think a state, if I had to guess I
2 didn't look back to see

3 Q And you took the real estate exam?

4 A I did

5 Q Did you pass it?

6 A Yes

7 Q Did you ever get a real estate license?

8 A I can't remember that I know that they say
9 that you were licensed if you passed the exam, but I can't
10 physically remember if I got any kind of card or anything
11 like that

12 Q Did you ever receive a letter from the State
13 of South Carolina saying you were a licensed realtor, or
14 real estate agent or salesman?

15 A I cannot remember I lost interest pretty
16 rapidly as soon as I got into it

17 Q I believe you said you were friends with
18 Mary Ann Hayes, is that right?

19 A Uh-huh

20 MR BRACKETT You need to answer yes or no

21 THE WITNESS Yes

22 BY MR HARLING

23 Q Yeah, let me -- let me -- I meant to tell
24 you this --

25 A No 'uh-huh "

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1 Q -- at the beginning

2 A No "uh-huh "

3 Q Yeah When she's taking down everything,
4 I'll know what you mean, but yes and noes --

5 A Yes

6 Q Thank you Let me start over You were
7 friends with Mary Ann Hayes, correct?

8 A She was an acquaintance We -- I had met
9 her, yes, and had known her for probably a year or so

10 Q How did you meet her?

11 A Her -- if I'm remembering correctly, her
12 daughter was in Clemson with Tommy's brother's wife And
13 we met through Tommy's brother, I think is how I met her

14 Q Did you meet her before or after you took
15 the course at Dutch Square?

16 A Before

17 Q And was it through conversation with her
18 that you decided to take the course?

19 A No

20 Q The name of her company was United Country?

21 A That was the company or the -- just like
22 Russell Jeffcoat or Bob Capes, or any of those It was
23 United Country

24 Q Is that the full name, United Country?

25 A As far as I know As far as I remember

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1 Q Was it United Country Realtors? United
2 Country Brokers?

3 A I can't remember, to be honest with you

4 Q In what capacity did you work for United
5 Country?

6 A I sent out brochures I sat there only a
7 couple of days a week, and I can't even remember if I went
8 -- and I know I didn't go every day -- and answered the
9 phone, if there were clients that wanted to see houses

10 And -- but mostly I did the mailing out of the
11 sheets that she would have made up for all of her
12 properties that she had And she would just give me a list
13 of -- that United Country would send however often And I
14 would just mail them out hoping, I guess, that you would
15 get a call back from one So that's mostly what I did

16 Q Did you sign any of these mailings?

17 A No I did not

18 Q What was your job title with United Country?

19 A I guess I would have been considered a
20 realtor if I had a realty -- I mean, the license, I would
21 assume

22 Q Do you know what your title was?

23 A Actually, no

24 Q How were you compensated with United
25 Country?

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1 A I was not I would have made a commission
2 if I had ever gotten a client -- if I got a client, and it
3 sold, then I would have gotten, I think in her contract
4 that I signed with her, it was a percentage

5 And she went over, you know, what cut you get and
6 -- and I'm trying to remember I can't even tell you how
7 much it was, or if you went and -- if you had to split it,
8 or whatever But, anyway, that was the only compensation,
9 would have been commission

10 Q You would have received a commission if you
11 sold a house'

12 A Correct

13 Q No other compensation

14 A No None

15 Q What was Ms Hayes' title?

16 A She was a broker

17 Q Did Ms Hayes provide you with any training
18 when you started working for United Country?

19 A No, I -- you know, I went with her on a
20 couple of showings, but I -- I stayed in it such a short
21 period of time Mostly what she had me doing is just the,
22 what I call "scut work" in the office

23 And then I was trying to go with her on periodic
24 showings and to start learning And I went with her one
25 time when she listed a property so that I could see how,

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1 you know, she listed it But I never really got into it
2 heavy because I just didn't care for it

3 Q How many showings did you go with Ms Hayes
4 on?

5 A I'm going to try to remember We did the
6 open house in Newberry on a home And I think I went to
7 Camden with her and went through her showing her clients
8 three -- three that I remember

9 Q So you went with Ms --

10 A Yeah, about three

11 Q -- Hayes on a total of four showings?

12 A One more Then I got to go with her when
13 she listed the one in Union County She listed a property
14 up there that she had sold previously, and they wanted to
15 sell again So she invited me and the other girl in the
16 office, who took the course at the same time that I took
17 it, we both went with her

18 Q Who was the other girl in the office?

19 A Cathy Spires

20 Q Is that Cathy with a "c" or Kathy with a
21 "k"?

22 A I think it was a "c " I'm not positive I
23 think it was a "c "

24 Q Is Ms Hayes still in business?

25 A I don't know She -- she left shortly after

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1 that and married and moved to Newberry In fact, she
2 bought the house that we did the open house on But she
3 married, and I don't think she practices anymore I don't
4 know that for a fact

5 Q Tell me about the open house in Newberry

6 A I think it was -- we met over there and --

7 Q Who met?

8 A Mrs. Hayes, Cathy and myself

9 Q Okay

10 A And then she just told us when clients
11 showed up, that we could take them as they came in the door
12 and start taking them around and -- and just show them the
13 house So that sort of what we did

14 And we probably had a showing of about, I don't
15 know, ten or twelve people showed up, probably

16 Q How many of those ten or twelve did you show
17 around the house?

18 A I remember maybe two that I did

19 Q What kind of house was it?

20 A Big old antebellum Had some slave quarters
21 out behind, as best I can remember Several --

22 Q How old was the house?

23 A -- out buildings 1800s

24 Q Okay Tell me about what you did when you
25 were showing the house

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1 A Just walked around, room to room, just
2 letting the clients look at it And then that's really all
3 I can tell you I mean, it was new to me, so I really --

4 Q How familiar with the house were you?

5 A I had been in it -- actually, I think that
6 was the first time I'd ever been in it, as the day that I
7 went there Because we ran through it I remember Mary
8 Ann taking us through it, it was the first time I had been
9 there

10 Q So Mary Ann took you to the house when you
11 first got there, and then it was up to you to take --

12 A Yes

13 Q -- potential customers -- let me -- let me
14 finish my question before you answer

15 A I'm sorry

16 Q That way it keeps a cleaner record

17 A Sorry

18 Q When you first got there, Mary Ann took you
19 through the house and showed you around

20 A If my memory serves me correctly, yes

21 Q And then after that first showing it was up
22 to you to take customers around to show them the house

23 A Yes

24 Q And you said you took two customers around

25 A If I remember correctly, yes It wasn't a

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1 lot, is all I remember

2 I remember one, mainly, because we -- it just
3 sticks in my mind We were up in the attic and we were
4 talking about some old something one of the -- the client,
5 the husband, I think, noticed about some old something, and
6 he asked me about it And I said, "I -- I don't know We
7 can ask, you know, Mary Ann "

8 'Cause she was very into the old houses and knew
9 her business really well, so -- but I just remember that in
10 particular But that was all

11 Q So you didn't know everything there was to
12 know about the house

13 A I just walked around, basically, and we just
14 looked at it, sort of together

15 Q Did you take them outside of the house?

16 A I walk -- I know I walked out at least twice
17 to the -- I think it was one, two, three out buildings

18 Q Were these like --

19 A One that was inhabitable, and then, I think,
20 two others that were like old slave -- or I -- that's my
21 memory of it, that she's mentioned something about some
22 kind of out buildings But you couldn't -- I don't
23 remember being able to go in them

24 Q Did you do anything else?

25 A Not that I remember

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1 Q You just showed them the interior of the
2 house, took them up in the attic, and walked them around
3 and --
4 A Walked around outside and --
5 Q And that was it?
6 A Uh-huh
7 Q Was the house sold -- or did the person who
8 purchased the house -- is that the house that Mary Ann
9 bought?
10 A She bought it later, yes
11 Q Okay
12 A Yes
13 Q Okay
14 A Yes That was after a good while, though
15 It stayed on the market a good while, and then she ended up
16 --
17 Q My ultimate --
18 A -- marrying
19 Q That's my ultimate question It didn't sell
20 that day?
21 A No, no Uh-uh
22 Q And you said you went to three showings with
23 Mary Ann in Camden
24 A That I can remember
25 Q Okay Tell me about those

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1 A I can't remember the names of them I know
2 that they were on the dirt road that's -- I haven't lived
3 there long enough to tell you the name of it -- the older
4 historic homes And if I -- I'm just at a blank right now
5 But it was three different ones in that area

6 And she had some clients that she had been
7 working with for a long time, and we just sort of tagged
8 behind In fact, I think Cathy was with me too

9 Q Were those in the same day?

10 A Those were in the same day

11 Q The same client went to see three different
12 houses?

13 A Yes

14 Q And you --

15 A We tagged along --

16 Q -- you tagged along with her?

17 A -- and watched her -- watched Mary Ann show
18 them to her -- to them It was a couple

19 Q What did Mary Ann do when she was showing a
20 house?

21 A Took them from room to room I don't
22 remember anything in particular Talked about the age of
23 the house, I guess, maybe if anything had been done to
24 them, renovated The size of lots, I imagine she discussed
25 that I don't remember any -- I really don't remember the

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1 exact details

2 Q Did she ever pull up carpet or anything like
3 that?

4 A Uh-uh

5 MS GRIFFIN You have to say yes or no

6 THE WITNESS No

7 BY MR HARLING

8 Q Did she ever get under the house?

9 A No

10 Q And there was a house that was listed in
11 Union, I believe

12 A There was a house listed in Union, yes

13 Q Okay Tell me about that

14 A That actually -- that house, I got to go
15 with her and she listed So I got to go around and see and
16 hear her ask all the questions about the size of the lot
17 So I -- I felt like, you know, I kind of knew it a little
18 bit better

19 But one of -- she told me that if I ever got a
20 call back from any customers, that all that stuff I was
21 sending out, that she would let me have them -- that I
22 could have one of them, one particular day

23 And I -- and I ended up picking up a customer
24 that she had worked with years ago, that wanted to --
25 always wanted to move to Camden

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1 So they came into town and I was unavailable
2 And Cathy took the clients that were supposed to be
3 considered mine, because I talked them into coming into
4 town, and she showed them properties in Camden for -- I
5 assume you would call "for me" -- and they didn't like any
6 of them

7 And so Cathy -- I met with them at the end of the
8 day I was unavailable that day, but I met with them at
9 the end of the day And I talked -- Cathy and I talked
10 them into going to the house in Union the next morning and
11 look at it Because she and I really fell in love with it
12 when Mary Ann listed it

13 So they went with all of us the next day -- Mary
14 Ann, me and Cathy -- and looked at it And they ended up
15 buying that -- that house, making an offer on it

16 That was about the same timing that I was -- was
17 stopping it, that I didn't want to do the real estate stuff
18 -- I just didn't like it But they were still considered
19 my clients

20 But they ended up going through with the purchase
21 and I -- that was the one that I got a portion of the
22 commission

23 Q You sold the house

24 A Well, I mean, I guess that's the way you
25 would say it I mean --

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1 Q How would you say it?

2 A Well, it was sold to who were -- the people
3 that were considered my clients, yes

4 Q Okay So you sold the house

5 A Yes I guess -- yes

6 Q Were you involved with preparing the
7 residential property disclosure statement for that house?

8 A I did no paperwork on it I did absolutely
9 not one thing, other than receive the phone call from the
10 client from Florida, he made the offer on it, I called Mary
11 Ann, I told her She knew that I was kicking out of it at
12 that time

13 And I said, "I am not going to be able to follow
14 through with anything I'm in the middle of something else
15 personal going on right now " So she and Cathy took it
16 from there

17 So I actually -- the only participation I had in
18 it was the call from him making the offer And that's the
19 only involvement

20 And the next thing I got, or ever had any contact
21 with, I got my kick -- my check through the mail from Mary
22 Ann for my portion of the -- of the commission, and that
23 was it

24 So I never -- I've never -- I have never
25 physically filled out a contract for anything I never got

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1 to that point

2 Q What do you mean you never got to that
3 point?

4 A In her business, I mean That's what I'm
5 trying to say

6 Q Were you involved in the repair addendum
7 process? Or do you know if there was a repair addendum
8 prepared?

9 A I don't know anything that happened after
10 that And I -- I've never had any involvement with a
11 repair addendum before this house on 10 Hunt Cup

12 Q Tell me about your communications with the
13 seller

14 A With the seller I met them the day that
15 Mary Ann listed it, and then I saw them the day that the
16 clients looked at it But I don't -- I didn't know them
17 You're talking about the seller of the ones in Union?

18 Q No, the seller of the one -- did you
19 represent the buyer or the seller in the Union --

20 A I brought to them the buyer, would be what
21 you would say

22 Q Okay

23 A Mary Ann listed it with the -- with the
24 owner

25 Q Okay Mary --

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1 pulling some more hours PRN with an internist that I'd
2 worked with for years in Columbia And I just didn't like
3 it, what -- it didn't interest me

4 Q I think you said earlier you were having
5 some personal problems too is that right?

6 A Uh-uh I don't -- I don't remember saying
7 that

8 Q Okay I thought -- thought I heard you say
9 that I apologize

10 A No

11 Q Tell me what your address history is

12 A 100 Francis Marion Drive, Winnsboro, 29180,
13 was Winnsboro's address Then --

14 Q Let's do this Give me the address and then
15 tell me the period of time that you lived there, and then
16 we can do that in a narrative Go ahead

17 A Okay And back -- you want to --

18 Q Sure

19 A -- go backwards

20 Q Yes Yes

21 A Okay That was purchased in '03 And we
22 purchased Hunt Cup in '06, so we were there three years

23 You back that up and we lived in -- an address on
24 Lake Keowee -- but it was actually Seneca, South Carolina
25 I think it was 29072, if I remember correctly -- 9031 Long

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1 A Uh-huh.

2 COURT REPORTER Is that a yes?

3 THE WITNESS Yes

4 BY MR HARLING

5 Q Were you aware that depositions were a part
6 of the litigation process?

7 A I was informed of that

8 Q Why did you move to Kershaw County?

9 A Because in order for my husband to get the
10 job, he had to agree to move to Kershaw County

11 Q And that's his job with the high school?

12 A Yes

13 Q What areas were you looking for homes in
14 Kershaw County?

15 A I looked everywhere I looked in Camden I
16 looked in Lugoff I looked in surrounding areas I looked
17 a lot of places I familiarized myself with the area and
18 looked in what was available

19 Q Were you using a realtor while you were
20 looking?

21 A I did most of it just riding around first on
22 my own But I had gotten a call from a good friend of mine
23 who works for a company over there and had asked me if she
24 could help me, she would be glad to So she did show me a
25 few things

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1 Q Who's your friend?
2 A Betty McGinnis
3 Q Can you spell her last name for me?
4 A M-c-G-i-n-n-i-s
5 Q And who does Betty work with?
6 A She's changed She was with Russell
7 Jeffcoat at the time, but she is currently with RE/MAX
8 Q Did you sign any type of agreement with her?
9 A No
10 Q What was -- what was the understanding that
11 you had with her?
12 A That she would try to help me find something
13 I liked
14 Q Were you going to pay her a commission?
15 A I would have if I had signed a contract with
16 her, yes
17 Q What was her commission going to be?
18 A I have no idea I -- if -- I never filled
19 out anything with her I think it was six or six-and-a-
20 half percent, it seems like what it was
21 Q Was it her standard commission or was it a
22 reduced commission?
23 A It was her standard, as far as I know
24 Q And she showed you how many houses?
25 A Give me a moment

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1 (The witness pauses)

2 A Approximately five

3 Q Were any of those on Hunt Cup?

4 A Yes

5 Q Which houses on Hunt Cup did she show you?

6 A Two doors down from where I purchased So
7 that would have been 14 Hunt Cup Lane

8 Q So Betty showed you that one

9 A And -- I'm sorry, I -- there's another one
10 that she showed me two more doors down from that So that
11 would have been 18 Hunt Cup Lane

12 Q Why did you stop using Betty?

13 A I didn't want to I was forced to

14 Q Who forced you to stop using Betty?

15 A When I received the call from Debbie
16 Appleton, she asked me if I was working with a realtor
17 already, and I told her yes And she told me that if I
18 wanted to use her as a realtor then she would not work with
19 me and tell me whose house she knew could be for sale So
20 that's how that went down

21 Q Debbie Appleton told you that the only way
22 she would tell you --

23 A -- whose house she knew would be for sale in
24 Hunt Cup She would be -- if I would work with her
25 directly and not work with the realtor I had been working

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1 with So I had to make the decision, Was it worth finding
2 out what house it was that I might could buy in Hunt Cup,
3 or just stick with Betty and not know what house it was
4 Anytime that was the way it was stated to me

5 Q And that was said to you by --

6 A Debbie

7 Q And that's why you decided to use her as
8 your realtor?

9 A I was reluctant, but I wanted to know what
10 house it was that bad, that I hurt Betty and did that, yes

11 Q You hurt Betty?

12 A I think I hurt her feelings, yes

13 Q Have you discussed it with Betty?

14 A Uh-uh I just haven't heard anything from
15 her

16 Q When did you first make contact with Betty?

17 A Betty made contact with me when she read
18 that Tommy had gotten the job in Kershaw County

19 Q Okay That was in the newspapers, that they
20 were hiring a new principal

21 A Right And she knew I might be -- we might
22 be moving, and so she called me And it was a good while
23 after that before I called her to start showing me some

24 Because I usually go around first and look to see
25 if I find anything by owner first, peruse everything And

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1 then I don't normally use one, but she was a friend, so I
2 did decide to use somebody for the first time

3 Q And when did -- do you remember the
4 year/month?

5 A Would have been the summer of '06

6 Q That's when your husband was hired

7 A He -- he start -- he would have started in
8 July 1, I think

9 Q Okay

10 A So it would have been a little bit prior to
11 that So maybe in May, June, possibly But I remember it
12 was hot weather, so it had to be summertime

13 Q And was that when she was showing you the
14 houses?

15 A Yes

16 Q Okay When did this conversation happen
17 with Ms Appleton?

18 A That would have been at the end of October
19 or the first part of September Probably more into the
20 first of September because of when I -- pretty sure we went
21 and looked at it the first time End of October or first
22 of September

23 MR TETTERTON End of August, first of
24 September

25 THE WITNESS August I'm sorry, August

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1 with another realtor, and I said yes

2 Q Who contacted who first? Did you contact
3 Ms Appleton first or did she contact you first?

4 A Verbally, she contacted me first I put --
5 I put and dropped a card in her -- I can't remember where I
6 put it, if I put it in her mailbox or -- but I left a card
7 there

8 Because when I came in, her house was actually
9 the one that I liked the looks of the best And so I left
10 the card in there saying, "If you have any interest of
11 selling your house, let me know "

12 She return -- called and she said, "I don't have
13 any interest in selling my home, but "

14 And then that's when she told me that she did
15 know somebody in the neighborhood that had a very nice
16 house that she knew about And that's how we met

17 Q And those were other than the two houses you
18 had already seen that were shown to you by Betty

19 A Uh-huh Yes

20 Q And she said she had a house that no one
21 else knew about?

22 A She said she knew of a lady that wanted to
23 sell her house, that may sell her house, and it was a very
24 nice house, and I might be interested in it but that she
25 was not interested in selling hers

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1 Q And so reluctantly you agreed to have Ms
2 Appleton be your agent

3 A I agreed to let her continue to -- yes, to
4 try to set up an appointment for us to get to see the
5 house Yes

6 Q Did Ms Appleton show you any other houses?

7 A No

8 Q Just this one

9 A Yes

10 Q And you didn't have a agreement with her

11 A The first thing I remember signing is when
12 we met at her house to fill out -- make the offer

13 Q What was her commission going to be?

14 A No -- she was -- there was no charge to us
15 She would be getting commission -- I mean, it would -- from
16 the sale of the house, me paying for it She would get a
17 commission at the time, I guess, of closing I mean, but
18 it wasn't a -- us paying her --

19 Q Do you know what her --

20 A -- commission

21 Q -- commission was going to be on the house?

22 A I have no idea

23 Q And I think we've already started going down
24 this road, but you were looking in the Hunt Cup area with a
25 realtor

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1 A Yeah Yes I mean --

2 Q You were also going around putting cards in
3 people's mailboxes is that correct?

4 A The way that came about is, I laughed and
5 told my husband that I had torn a little piece of notepaper
6 off and left it in a persons -- at a person's house in
7 Southgate And he said he was embarrassed that I had left
8 a piece of notepaper with, you know, "I really like your
9 house, you know If you'd be interested in selling it,
10 give me a call, ' and my name and number

11 So he made up the little cards I left a total
12 of one, two -- five -- five -- four cards and one note,
13 total, in -- at houses that I liked

14 Q Were those all in the Hunt Cup area?

15 A No

16 Q Where were they?

17 A Two were in Southgate, and three were in
18 Hunt Cup

19 Q Do you remember the addresses on Hunt Cup?

20 A Ms Boykin's, Ms Appleton's -- and I do not
21 remember the name of the couple that's right near Ms
22 Appleton's -- across the road from Ms Appleton's house at
23 an angle -- there's another house there And, actually,
24 they, as well, called me and I looked at it as well

25 Q Did Betty know you were going around putting

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1 the reporter

2 "QUESTION So Ms Appleton tells you about Ms
3 Boykin's house

4 ANSWER Uh-huh Or she told me that -- yes,
5 there was a house And then I told her, Yes, I did want
6 her to -- I would be willing to deal with her directly and
7 drop my realtor out of the picture if she could get me in
8 to see the house, yes

9 QUESTION I'm sorry Say that one more time

10 ANSWER Yes, I -- I asked her to go ahead and --
11 and connect me with the person that she knew that might
12 sell their house ")

13 BY MR HARLING

14 Q So tell me about your first contact with Ms
15 Boykin

16 A It was about around the same time I had
17 left one in Ms Boykin's -- I liked Mrs Boykin's I had
18 left it in Debbie's, Ms Boykin's, and then the other
19 couple that I cannot tell you what their name was, that --
20 that did call me back as well And I had not ever heard
21 anything from her

22 And Tommy and I, on weekends and when we had time
23 off, we laughed and said that people were going to think we
24 were stalking the area 'cause we rode around so much

25 We noticed a car in front of Ms Boykin's home --

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1 well, I didn't know it was her home at that time -- but
2 when we rode by one day And so I said, 'Tommy, stop "
3 I said, "Somebody's at home She if she got the card "

4 And I said, "And just make sure, before we do
5 anything, if she's willing to sell the house -- if she
6 would be interested in, you know, her house being on the
7 market, or sell it, or whatever "

8 So he was reluctant, but he did He pulled up
9 and he went to the door, and one of her sons answered the
10 door And then a few minutes passed and then Ms Boykin
11 came out and talked to me

12 And if I remember correctly, she did say she
13 remembered getting the card, I think I'm not positive,
14 but -- and then we talked to her about the house

15 Q What did you talk to her about?

16 A Asked her if -- was I lucky enough -- is --
17 was she interested in selling it And she said that she
18 was, possibly And I asked her if it was list -- if she
19 had it listed with a realtor, and she said no

20 And I said, "Well, wonderful " I said, "That
21 would be great just -- you know, if you could deal with us
22 directly '

23 She told us about the house, some details about
24 the house And she told me what the price was, if I
25 remember correctly

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1 Q What did she tell you the price was?

2 A Four ninety-nine And that -- I can't
3 remember if she was going to have company or if she had to
4 go out of town, but that, you know -- and I said was there
5 a possibility that we could hook up later and we could come
6 back and see the house at a better time, and she said we
7 would talk

8 So that's -- and -- and she wrote down on a
9 little card some of the information about the house and
10 gave it to me And then I -- then we left

11 Q Was that after you had the conversation with
12 Ms Appleton about the dropping your realtor?

13 A I think so I'm not positive 'Cause all
14 that was sort of mushed up, mixed up together, timing-wise

15 Q Okay So in the rough time frame, both
16 these things are going on

17 A Yes

18 Q And Ms Boykin indicated she wanted to deal
19 directly with you and not have a realtor

20 A She didn't say she would She just said
21 that she was not -- did not have it listed with a realtor
22 And I made it clear to her I -- that was wonderful and that
23 would be great if she wouldn't, if she would agree to deal
24 with us directly if she had the least bit of interest in
25 selling it

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1 Q Did you tell her about your -- all your real
2 estate experience?

3 A No Because I really don't have any great
4 real estate experience

5 Q When Ms Appleton takes you to see this
6 house, were you surprised that it was the same house you
7 talked to Ms Boykin about?

8 A It had already been discussed verbally,
9 before that

10 Q What had been?

11 A I'll try to remember how it went down It's
12 -- it's all mixed up together, timing-wise

13 In the meantime, I think I called Ms Boykin back
14 once or twice, trying to find out when I could get in to
15 see it Debbie, at the same time, was trying to line it up
16 as well

17 And when I figured out, from something Debbie
18 said, "Oh, my Lord She's talking about somebody that's
19 going to be out of town," I said, "Oh, I bet --

20 So I said to Debbie, I said, "We met Ms Boykin
21 and talked with her outside in front of the house " I
22 said, "Is this who you are talking about hooking us up to
23 get to see the house?"

24 And she said, "Yes "

25 And I said, "Well, this is a little awkward " I

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1 mean, we -- I discussed that with Debbie on the phone I
2 said, "This s a little awkward "

3 I said, "Because I have no intentions if she will
4 sell it by owner, to go through you as a realtor, since you
5 haven't shown it to me and you haven't hooked us up yet '
6 I said, "And I've already talked to her and found her on my
7 own " I said, "You know, that's -- that's silly "

8 After I -- that conversation took place, I get a
9 phone call back from Debbie Appleton saying, 'Mrs Boykin
10 wants you to go through me, through Liz Beard, and to her
11 And that's how she wants you to see the house " And that's
12 how it went down

13 Q Okay And Debbie called you and told you
14 that

15 A Yes

16 Q Okay Did you agree to do that?

17 A Yes

18 Q Why?

19 A Because my understanding was the word had
20 come back through Ms Boykin that, that's the way she
21 wanted it done So I knew I was dead-ended on dealing with
22 Ms Boykin personally

23 And I had left her a message even get -- asking
24 her to call me back, to make sure we couldn't do it
25 personally

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1 So Debbie and -- we -- she and I met and we went
2 to Ms Boykin's, and the two of us looked through it Ms
3 Boykin walked us through it the first time I actually saw
4 it

5 Q Who-all was present for that?

6 A The three of us

7 Q Do you remember walking through the entire
8 house?

9 A Yes

10 Q You went into all the rooms?

11 A Yes

12 Q Did you go into the garage?

13 A I stepped out on the stoop into the garage
14 and looked, but it was really full, so -- and the doors
15 were closed, so I didn't go past that point I may have
16 stepped down one step and looked out there and then came
17 back in

18 A car was in one side and then the -- where
19 another car would have been, she was using as storage and
20 had it full, so

21 Q Did you walk around the exterior of the
22 house?

23 A Yes I know I went out the back and did all
24 of that I came in the front I'm not positive that I
25 physically went back around and walked all the way around

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1 the front, but I think I did, yes

2 Q Did you notice that there were no gutters on
3 the house?

4 A I don't know if I made note at that time,
5 but I may have It was either then or the next time I
6 went

7 Q What was your initial impression of the
8 house after your first walkthrough?

9 A Honestly, I liked the layout of the house
10 It was dated I thought that it was basically a nice
11 house The -- some of the materials used in the house, I
12 wasn't overly -- like hollow core doors, where I'm used to,
13 you know, hardwood doors I noticed some things like that
14 In the master bath, you know, I wasn't overly
15 impressed with the -- like in her -- the walk-in shower,
16 the tile job didn't look particularly -- not real well
17 done

18 I noticed some -- you know, some things But I
19 noticed the -- the main thing was it was dated

20 Q Doesn't sound like you were "wowed" about
21 the house

22 A I liked -- I liked the house okay I liked
23 where the house -- I liked where the house is

24 Q Even though it was dated and it had tile in
25 the bathroom you didn't like?

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1 A No, I didn't say I didn't like it I said
2 the workmanship of the installation of the tile was, I
3 don't think done very well

4 Q But you liked the location of it

5 A Yes

6 Q And what about the location appealed to you?

7 A Resale value I thought if we have to, you
8 know, move ever again, this will be easier to sell than,
9 you know, some of the others

10 But I particularly liked that little street I
11 liked the way it felt I liked the way the house looked
12 how it sat on the lot Just, I liked different things
13 about it

14 Q What are you basing the resale value of the
15 house on?

16 A It just would be easier to sell because of
17 where it is It's in a desirable neighborhood and area
18 That was just my own level of intelligence But I thought
19 this will sell easier than other places

20 Q You gleaned that information yourself You
21 didn't get that from Ms Appleton

22 A I guess

23 Q Anything else happen on your first
24 walkthrough?

25 A Not anything particular We walked through

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1 and looked at things -- I asked a lot of questions, you
2 know, when I got in I started asking questions that are
3 kind of commonly asked, and that people ask of me, you
4 know

5 One of the first questions I asked when I stepped
6 in the front door was, how old the heat and air was, you
7 know, and started asking things like that I do remember
8 that was the first time I asked that when I was standing in
9 the foyer for the first time

10 Q And what were you told about the age of the
11 heating and air conditioning?

12 A Ms Boykin said that -- pointed over to the
13 side of the house where the two units were, Those are
14 new," and if I remember correctly, she said, 'And new duct
15 work,' and then the one on the FROG was new as well

16 And I said, "Okay " And then we continued on
17 through with the walkthrough

18 Q What other questions did you ask?

19 A When we got upstairs, I asked about the
20 carpeted floors I said, "Are there hardwood floors under
21 here?"

22 And she said -- she told us "Yes "

23 Q Who told you yes?

24 A Ms Boykin answered, "Yes " I mean, Debbie
25 and I were with her

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1 I can't remember all the questions I asked I
2 asked lots of different things, I guess

3 I did ask for them to get me a -- I never got
4 this -- but I wanted like a year of heat and air bills so
5 that I -- because I've always asked for a year of -- so I
6 can average them out to see sort of what that runs But
7 somehow that got lost in the time, and I never got that

8 But just basic questions The age -- she'd
9 already -- Ms Boykin had already told us a lot, told me a
10 lot She'd already told me the age of the roof when she
11 was standing in her front yard So I mean I knew a -- you
12 know, a lot And then I just looked around

13 Q How long were you in the house?

14 A In the house, probably ten or fifteen And
15 then Debbie and I walked out to -- toward the pool and the
16 pool house by ourselves out there, and came back and then
17 left But maybe a total of 20 minutes there maybe Maybe
18 Not long

19 It was a quickie visit for me to determine, Did I
20 like the layout of the house, did I like it well enough to
21 have him make a trip back with me to see it

22 Q And obviously you decided you did --

23 A I said, yes, I did want him to go back

24 Q Tell me about the next visit you made to the
25 house

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1 A Was that weekend, I think That was like in
2 the middle of the week, if I remember correctly And then
3 we went on a Saturday and --

4 Q Same week?

5 A I'm pretty sure, yeah That was -- we
6 picked up Debbie at her house and we went And Ms Boykin
7 was there, but she did not walk around with us And Debbie
8 took us around

9 And then what I did is mostly just repeated, you
10 know -- like Tommy would ask what about -- he asked about
11 the heat and air And I, of course, answered for them
12 because I already knew what Ms Boykin had said

13 And so I answered some of the questions, you
14 know, that he asked because I already knew the answers to
15 it And we did about the same amount of time, walkthrough
16 of the house, and then walked out to the back

17 And then I can't remember, really, doing -- Ms
18 Boykin's stayed in -- I think in the kitchen area most of
19 the time

20 Q And, again, you walked through all the
21 rooms?

22 A We did

23 Q Did you walk around the house?

24 A Yes Yes

25 Q Did you go look at the heat and air units?

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1 A We walked around to that side and looked
2 down that side, because that's when I -- he and I made note
3 of -- he said, "I see some rotten boards over at the
4 doors," he noticed down at the bottom of the doors

5 And I said, "Yeah " But we walked sort of down
6 the side

7 But no, we didn't go all the way down and look,
8 look at them We probably walked within here to the wall
9 to them, and looked down the side of the house and the
10 trees And we were just busy looking at the basics at that
11 point and --

12 Q But you could have walked up to the heat and
13 air units

14 A Could have, I -- yes

15 Q And you could have written down the serial
16 numbers

17 A I -- I wouldn't have known to do that, no

18 Q But you had the option

19 A If I had known to do it, I guess I could
20 have, yes

21 Q Okay

22 A But no, I would not have thought to do that
23 I took what she said as being the truth

24 Q Okay But there's nothing preventing you
25 from --

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1 A No

2 Q -- walking up and writing it down

3 A No

4 Q And there was nothing preventing you from

5 writing down the serial numbers and calling the

6 manufacturer to confirm --

7 A I wouldn't have known to do that But I --

8 yes, I could have written down the numbers if somebody told

9 me what to do with them, but --

10 Q Okay Again, there was nothing preventing

11 you from doing --

12 A No

13 Q Okay You said you noticed some rotten

14 boards

15 A Yeah Down -- the two doors that are on the

16 back downstairs master bedroom Down at the bottoms you

17 could see that the wood was rotten, down at the bottoms

18 Q Are those the doors that are on the brick

19 patio at the rear of the house?

20 A Yes Yes

21 Q And you saw that

22 A Yes

23 Q And is that when you noticed there were no

24 gutters on the house?

25 A No I think he and I discussed that later,

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1 like, when we either rode up to it or left it, and we made
2 note that there were no gutters on the house Because we -
3 - 'cause all the houses we've ever been in have gutters
4 And so, yes, we noticed it didn't have gutters

5 Q On the second trip, did you go underneath
6 the house into the crawlspace?

7 A No

8 Q How long were you at the house on the second
9 visit?

10 A About the same length of time

11 Q Twenty minutes?

12 A Maybe Probably --

13 Q More or less?

14 A Probably, I would say exact -- about the
15 same length of time

16 Q Who-all was present for the second visit,
17 again?

18 A Just me, Tommy, Debbie Appleton and Ms
19 Boykin

20 Q Okay Was there a third visit to the house?

21 A The next -- yes, there was a next visit
22 And that would have been with me, a sister -- and that is
23 the time I request -- I asked did they mind if Ms Boykin
24 wasn't there, to just -- so I had one visit where she
25 wasn't there, because you just sometimes feel a little more

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1 comfortable where you can -- wherever that person is in the
2 house, you don't want to shoo them away if you want to look
3 at something, that kind of thing

4 And they said, "Sure, that would be fine "

5 So it ended up being me, my sister And that is
6 when Debbie and Liz were there as well

7 Q Just the three of you?

8 A Four Debbie, Liz, me and a sister
9 Because I wanted my sister to see it That was after the
10 contract

11 Q What's your sister's name?

12 A Elaine Grieb

13 MR TETTERTON I'm sorry, I didn't get the
14 last name

15 THE WITNESS Elaine Grieb G-r-i-e-b

16 BY MR HARLING

17 Q What does Elaine do for a living?

18 A She's a retired doctor, Ph D , from Richland
19 2 education

20 Q What did she teach?

21 A It's been so many years ago when she taught
22 She was at the D O for so long

23 Q What's the "D O "?

24 A District office She taught English and
25 math, middle school, when she did teach

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1 And I asked some questions and we talked, and then walked
2 over into the last bedroom, looked, and then we-all left

3 Q And, again, you walked through all the
4 rooms?

5 A As far as I remember I don't think we went
6 into the attic and all that, but I think we physically
7 walked through the center of everything and came out

8 Q And you walked around the house again?

9 A No

10 Q Just --

11 A We walked --

12 Q -- just went inside

13 A Yes We walked out -- I took her out to the
14 pool area and walked back, came back in the back door

15 Q I believe you said this third visit occurred
16 after the contract was signed?

17 A Yes Because the home inspection was due
18 the next day So I was going to be back there the next
19 day

20 Q Okay How many -- how much time did you
21 spend in the house on this third visit?

22 A Not as long, walking around looking The
23 most time we spent was standing there talking with Debbie
24 and Liz in the den

25 Q Okay

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1 don't know how to answer that, other than -- that wouldn't
2 have been something I would have done I mean, he knows
3 his job He's the professional He needs to inspect the
4 home and do what he told me verbally he was going to do

5 Q How long were you in the house during the
6 inspection?

7 A We sat in the den the whole time until he
8 got done He finished around lunch, so I think it was
9 probably -- it was a long time, about --

10 Q Two hours?

11 A No, it was longer than that, I think

12 Q Three hours?

13 A Maybe I didn't -- I didn't make note of
14 it

15 Q Okay

16 A I just know it was a long time and we were
17 all tired and ready to have him done But we knew he was
18 doing his work

19 Q If we said approximately three hours, would
20 that be fair?

21 A Yes Or, it could have been more I don't
22 know

23 Q Was there a subsequent trip to the house
24 that you made prior to closing?

25 A I made, I think, one more

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1 Q Tell me about that one

2 A When Ms Boykin was going to sell some of
3 her things before she moved, I had told her -- I said, "If
4 you want to sell anything," I said, "you know, that might
5 be particular to the house, let me know "

6 So she -- I can't remember if Debbie set it up
7 I think Debbie had talked to her about it 'cause I think
8 Debbie had looked at some things there

9 Anyway, a time was set between me and Ms Boykin,
10 for me to meet her, and she showed me the things that she
11 wanted to sell, so

12 Q Did you like the way the house was
13 decorated?

14 A It was okay

15 Q I'm trying to judge "okay " Would it be
16 fair to say you liked some of it and didn't care for some
17 of it?

18 A That would be truer, yes

19 Q Okay But, obviously, you liked some of it
20 enough to want to try and buy some of it from Ms Boykin

21 A Well, I didn't know what she would -- I
22 mean, it was -- could be as simple as a flower arrangement
23 I mean, it wasn't anything major, you know There were --
24 there was -- I didn't know what I was going to see that she
25 was going to sell She didn't tell me, so I didn't know

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1 Q Who-all was there on that day?

2 A The two of us

3 Q Tell me what happened that day

4 A She walked through and showed me the things
5 that she wanted to sell and told me what she wanted for
6 them And I --

7 Q What did she -- what did she want to sell
8 you?

9 A Well, I mean, she had a lot of different
10 things that she would have sold And I couldn't in my
11 wildest dreams remember them all I just mentally made
12 notes of things that I liked

13 I think I wrote them down I'm pretty sure I did,
14 'cause I went home and told Husband about them And then
15 we determined, you know, what yes, no, that kind of thing
16 But I ended up buying like three things

17 Q Do you remember what you bought?

18 A I bought a -- an entertainment that appears
19 -- it's a -- you'd think it was a armoire or -- but an
20 entertainment center that was in her bedroom, two plant
21 stand things, and a mirror

22 Q How long were you at the house?

23 A I have no clue Probably -- we may have
24 talked some too Maybe 30 minutes or less Probably not
25 that long

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1 Q Does the build them or does he design them?

2 A He has them built, from bottom up

3 Q Has he ever worked in residential
4 construction?

5 A I never have asked him that, if he's done
6 anything residential

7 Q Would you have called him to come look at
8 the house, or would you have called Mr Gladden's brother?

9 A For the kinds of things on that list, I
10 would never have called my -- my brother I mean, my
11 brother is in million-zillion dollars work, doing his
12 thing I've never called him I would have called Tommy's
13 brother I mean, just for average things

14 Q And the walkthrough occurred the day before
15 the closing

16 A Yes

17 Q And that would have been November twenty --

18 A First

19 Q -- first And the closing takes place --

20 A The 22nd

21 Q The closing takes place on November 22nd

22 A Yes

23 Q Tell me what happened at the closing

24 A We arrived at Tommy Sprott's office I
25 think Liz and Debbie were already there and seated in the

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1 room that we were going to be doing the closing in, if --
2 if I'm remembering right And --

3 Q Where is Mr Sprott's office?

4 A In Winnsboro, right beside the courthouse --
5 adjacent to the courthouse behind the bank, in that little
6 wrung of buildings behind the bank

7 We sat down Tommy Sprott came in, and we
8 started the process, going through the packet

9 Q And you said Liz and Debbie were already
10 there?

11 A Yes

12 Q Okay

13 A And they were in there with us when we
14 started

15 Q Was your husband there?

16 A Yes

17 Q All right Tell me -- take me through the
18 whole process

19 A We started the process and the -- the best
20 memory I can tell you is, the first thing that popped up
21 was when Tommy showed us the CL-100 and we -- and we saw it
22 for the first time

23 And Tommy started reading it, and he said, "Oh,
24 my word "

25 And -- and I looked over and we started reading

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1 what it said And I said -- and I started getting not very
2 nice with Liz about, Why are we seeing this for the first
3 time? And I stayed hot and heavy with her

4 And, because what concerned Tommy, when he
5 started reading it, she presented some other form that said
6 something that referenced under the laundry room had been
7 repaired

8 And Tommy said, "Well, this is saying under the
9 front of the house and the patio, the -- the back area of
10 the house that's adjacent where the patio, brick-filled --
11 dirt-filled patio is, a place in the attic And here
12 you've got a letter that says, you know, one thing "

13 And he said, "This isn't going to get it here
14 Something's not right "

15 "Well, I assure you it's done "

16 He said, "No Woe Let's -- let's discuss
17 this "

18 And the next thing she said was, "Well, I just
19 forgot to type in about the front of the house "

20 Q Who said that?

21 A Liz And he -- and I -- and that's when I
22 lost my temper I said, "You forgot to type it in?"

23 I said, You were typing up this letter for
24 Grecheski to -- I -- I was sort of confused about what was
25 going down because we had never had anything like that

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1 happen to us

2 And so I was still just furious, because why are
3 we seeing this for the first time? And all that kept being
4 said was, "I assure you everything's taken care of I
5 assure you everything's taken care of "

6 And we wouldn't drop it And so that's when the
7 disturbance started about trying to get Grecheski on the
8 phone, and she said she didn't think we could get it

9 And after that it's sort of like a little blur to
10 me Tommy Sprott went and got on the phone with -- because
11 Ms Boykin wasn't there she was sitting in Camden, waiting
12 to close the next house, because Liz had scheduled three on
13 top of each other So Ms Boykin was sitting, waiting on
14 the money to come from this one

15 And it just turned into, you know, a confusing
16 thing It ended up going to one o'clock before we ever got
17 anything settled, because Ms Boykin wanted to stop closing
18 -- this is what we were getting back through the attorneys
19 -- that she didn't want to go through closing, that she'd
20 keep the house And -- and if she could get cash from
21 somewhere else -- this is just what we were hearing

22 And we -- all we were asking -- we thought we
23 were obligated to go through closing And so we were
24 trying to work out something, escrow some money, because
25 "you've got some major discrepancies here, plus you're

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1 showing this to us for the first time," which really just
2 shocked us

3 Q Whose idea was it to escrow the money?

4 A Tommy -- my Tommy and Tommy Sprott sort of,
5 all three of us, said -- Tommy said, "Well, how about let's
6 escrow some money?"

7 But then we heard Ms Boykin wouldn't agree to do
8 that So somehow it came down that Liz ended up having to
9 put the -- the money in escrow Now, I don't know how that
10 went down I wasn't there

11 And so it was just a very confusing, upsetting
12 experience

13 Q Someone told you that Ms Boykin wanted to
14 stop the closing?

15 A Our attorney told us that, that's what her
16 attorney had said, that -- that's why he kept keeping us
17 abreast because we didn't stay there We left and Tommy
18 Sprott kept calling us, letting us know how it was going

19 And the time kept passing, and he said, "She's
20 trying to figure out a way to keep the house and not go
21 through closing "

22 And so he -- and then the next call back was,
23 "Liz put 2500 dollars on the line And so maybe we can --
24 we can go ahead and work it out that way " And so --

25 Q But you didn't want to stop the closing

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1 A I -- I didn't honestly know that I could I
2 thought -- I've never, ever been in a situation like that
3 I thought once you have a contract on a house, you're to do
4 whatever you're supposed to do, to go through closing

5 So that's what I thought we were trying to do is
6 work out this traumatic, bad situation, so that we could go
7 through closing

8 So when Tommy and I found out that she was -- Ms
9 Boykin was trying to stop closing, we looked at each other
10 and said, "Well, we've got to be out by however many days,
11 so we'll have to find somewhere to go, you know, rent kind
12 of thing "

13 So we had even thought -- that was the first time
14 it ever hit us that we might not be closing on a house
15 Because we've always closed

16 Q Did Mr Sprott tell you, you were obligated
17 to go through closing?

18 A No

19 Q Did you ask him if you were obligated to go
20 through closing?

21 A No

22 MR TETTERTON Do y'all want to find a good
23 stopping point?

24 MR HARLING I just found one

25 (Off the record)

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EXAMINATION RESUMED

BY MR HARLING

Q Ms Gladden, we're back on the record And I believe what we were talking about before we took a break was, you were at the closing, and we were discussing why you felt obligated to go forward with the closing And you had testified that you felt like you had a contract and you had to go forward And were you aware that you could stop the closing?

A No Honestly, no

Q The closing goes through on the 22nd When did you move in the house?

A Tommy and Jimmy moved a load on Friday, at the same time Ms Boykin was moving out But we physically took over Saturday morning

Q Okay

A About actually mid-day

Q The amount that was placed in escrow at the closing, the 2500, did you and your husband agree to accept that if anymore repairs were needed to clear up the CL-100 letter?

A I don't -- state that again

Q There was a 2500-dollar figure that was put in escrow

A Right

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1 the load, we were already very upset and concerned about
2 how closing went down, about whether the work really was
3 done So --

4 Q Let me -- let me just stop you The Friday
5 before you moved in?

6 A Right

7 Q This is the Friday --

8 A That Ms Boykin was moving out and we were
9 bringing a load in

10 Q Closed on Thursday, the next day?

11 A Was Thanksgiving -- the next --

12 Q Closed on Wednesday The next day is
13 Thanksgiving, Friday

14 A Correct

15 Q Okay Keep going

16 A He and his brother and nephew took a load
17 I did not make that trip And while they were there, Tommy
18 asked Jimmy then, Would you just crawl under there, just
19 to allay our anxiety and see what's -- see if the work has
20 been done that they said's been done "

21 So when they got back to Winnsboro, Tommy told
22 me, "We're in a mess It wasn't done "

23 And so that was our first trauma, you know we're
24 -- we're in a mess

25 And so then we got there Saturday The next

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1 thing I noticed were no shutters up, which were supposed to
2 have been done before I got there That was my
3 understanding

4 Q Who told you the shutters would be up before
5 you got there?

6 A Grecheski

7 Q Okay

8 A And I -- and I even pointed -- Burl walked
9 out and I pointed, and I said, "Burl, we've got a problem "

10 And he said, I know" -- that was Ms Boykin's
11 son I said, "We need to talk "

12 And then they left and we started -- our movers
13 started moving our stuff in

14 That night is when we noticed how bad the floors
15 were When we went to -- when we went to bed that night
16 and we walked -- when I got up to go -- this is in detail,
17 but this is when we noticed --

18 (Off-the-record interruption)

19 BY MR HARLING

20 Q Go ahead I'm sorry

21 A When I went to the bathroom, I noticed how
22 loud they popped and cracked And I thought, "Hm " And --
23 and sort of moved under my feet, wiggled under my feet
24 Came back to bed, didn't think anymore about it

25 He got up to go to the bathroom one time and I

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1 was sleep, and I literally woke up from hearing the
2 popping I still didn't say anything

3 He got up the next morning to go down -- he
4 always goes down ahead of me And when he got down to the
5 bottom level, the back staircase into the kitchen, I
6 started hearing the most unbelievable noises coming from
7 that room, that you can imagine popping, cracking,
8 squeaking, every step he was making everywhere in the room

9 And I just laid there He came back upstairs I
10 said, "What in heaven's name is wrong with those floors?"
11 That's the first time we noticed how bad the floors were

12 Q Let me back up real quick to the Friday when
13 your brother --

14 A -- in-law

15 Q -- brother-in-law and your husband and your
16 nephew were taking a load out

17 A Taking a load to there and unloading it

18 Q It was just the three of them?

19 A Uh-huh

20 Q When your husband returned to the Winnsboro
21 house, what did he tell you?

22 A That there -- they had repair -- done a
23 repair on the front of the house there had been an
24 attempted something done under the laundry room, but it
25 appeared that there was just a piece of plywood nailed up -

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1 - whatever they call it -- he said, covering up whatever
2 was there

3 And his brother told him, "That needs to come
4 down, you need to see what they're hiding, essentially is
5 what was said

6 And neither of the other two places were touched
7 at the dirt-filled patio that's adjacent to the den and the
8 bedroom, neither of those had been touched And the rot in
9 the roof decking, that they had identified as well, had not
10 been done and had not been touched And it had been said
11 that it had been done

12 Q Did your brother-in-law have a copy of the
13 repair addendum?

14 A No

15 Q Did he have a copy of the CL-100 report?

16 A No, not to my knowledge Tommy just
17 remembered And they just crawled it, looking, as far as I
18 understand

19 Q And he was referencing underneath the house,
20 not the exterior?

21 A Correct That's the only thing he was asked
22 to look at

23 Q After that on the Saturday, is when you
24 noticed there were no shutters

25 A (The witness nods head)

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1 MR BRACKETT You need to answer --

2 A Yes I walked up and saw that the new
3 shutters were not up, and all the ones that were rotten
4 were still falling off, and one was missing -- I mean, just
5 like it was when I left that day

6 Q I believe you said you spoke to Burl, Ms
7 Boykin's --

8 A Burl

9 Q -- son

10 A Uh-huh

11 Q And you said, "We have a -- you told him,
12 "We have a problem

13 A I pointed to the shutters, and I said, "We
14 have a problem "

15 And he said, "Yes We'll talk "

16 Q Did you ever talk to Burl about the problem?

17 A Not after that, no

18 Q What happened? Why didn't you talk to him?

19 A Because it then just started snowballing
20 Then after that, once we found out that the repairs weren't
21 done under the house with the CL-100 that we were told,
22 then that started making you question what else has not
23 been done that we've been told

24 So then we started trying to get the checklist,
25 the repair addendum checklist, and start physically --

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1 Tommy and I trying to go around and look to see And then
2 when we started running into problems, then it just kind of
3 snowballed And that's when I called -- I called Debbie,
4 you know, immediately, and it all started

5 Q Who were your movers?

6 A The two men that work for the furniture
7 company in Winnsboro, they do that on the side as well
8 They've been working like, I don't know, 20 or 30 years for
9 him

10 MR McCUE I'm sorry They had been working
11 20 or 25 years --

12 THE WITNESS Twenty -- one of them, I think,
13 20 or -- for the furniture company in Winnsboro John
14 McMeekin's company

15 BY MR HARLING

16 Q Tell me what you did to investigate the
17 problems after that Saturday

18 A Tommy and I -- or Tommy tried to run around
19 and check then, physically, himself --

20 Q Your husband

21 A -- down the checklist -- correct -- to see
22 what had been done So we started making a list as fast as
23 we could It wasn't done, or it was done and not done
24 properly -- you know, we were trying to make our own notes
25 Because we noticed the way the bracing had been done in the

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1 attic kind of looked shoddy, and so we questioned that

2 But we went down the list best we could so we
3 could give it to Debbie, so Debbie could start getting it
4 to them

5 Q Is the list you're talking about, is it the
6 repair addendum list, or is it a list you prepared?

7 A It's the repair addendum list

8 Q Okay And so you --

9 A And then we went one by one by one And
10 then when Debbie came over, we talked to her about it And
11 I think she typed up what we were basically demanding This
12 is what wasn't done and what needs to be done And --

13 Q And your husband was running around the
14 house, physically looking at it

15 A Trying to, yeah

16 Q Was he able to see everything?

17 A Well, he didn't --

18 Q Get to all of them?

19 A He never found the -- the two, big rotten
20 areas that are to the -- each side of the skylight, because
21 he never got back in there far enough And he -- he didn't
22 find those So those were identified, I think, a little
23 bit later But --

24 Q Everything else he was able to get to?

25 A I think, from my memory, yeah

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1 Q And that was on the repair addendum

2 A Yes

3 Q Okay What about the CL-100 letter? Did he
4 -- did y'all do the same thing? Did you try and get under
5 the house and --

6 A Well, he and Jimmy had already glanced at
7 all that So we knew we had a problem, simply because two
8 of the areas had not been addressed, one was done half way,
9 one was done -- we weren't sure even where it was done
10 properly

11 Q Okay How long did it take him to go
12 through the repair addendum throughout the house?

13 A I don't remember I have no clue He might
14 have done it over several days until we got everything
15 together for her when he came home from work I don't
16 think it was all at one time

17 Q And you had Ms Appleton prepare a -- was it
18 a letter that listed out the issues --

19 A The things that weren't --

20 Q -- you had?

21 A --done What we were trying to do is just
22 get what you said was done to be done -- I mean, on the
23 checklist

24 Q Was that letter done after your husband went
25 around with the repair addendum and checked everything?

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1 A Yes

2 Q Did your husband have his brother come down
3 and look at the repair addendum and look at the house?

4 A No

5 Q But he did get the CL-100 stuff, his brother
6 did --

7 A His --

8 Q -- look at that

9 A His brother never saw any of the paperwork
10 He -- Tommy just asked him, "Crawl under the house I can
11 show you where the spots were that were listed " And
12 that's all they did

13 But no, they didn't have it in -- the paperwork
14 with them So no, Jimmy's never seen any of the paperwork

15 Q Okay Did it take him a long time to do all
16 of that?

17 A The -- the checklist, it wasn't that
18 complicated 'cause it wasn't a big, long checklist of
19 stuff

20 I mean, we were having the major hemorrhage over
21 the CL-100 -- number one, having been slapped in the face
22 with it, you know, at closing, and then find out that you
23 were told it was done and then it wasn't done -- I mean we
24 were just -- we were just sick

25 Q You said "slapped in the face with it "

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1 A That's just sort of how it felt that day at
2 closing

3 Q Who do you think slapped you in the face
4 with it?

5 A Well, at the time I blamed Liz totally

6 Q Do you still --

7 A Liz and Ms Boykin How could you -- you
8 made such a point out of being the one to provide that
9 letter, the heat and air letter and the termite letter,
10 when we were under the understanding, per Ms Appleton,
11 that we were supposed to pay for that, but that was
12 something you, you know, wanted to do

13 I kind of thought, you know, Why didn't you --
14 and I said to Liz, "Why didn't this come to us as soon as
15 you got it?"

16 At that point, I -- the contract changed in my
17 opinion This is not what we contracted, to buy a house
18 with this much rot under -- underneath it, so "Why did you
19 not get, you know, this to us?"

20 And so I blamed her and -- and Ms Boykin

21 Q You said someone made a point regarding the
22 CL-100 letter What do you mean by they made a point about
23 the CL-100 letter? Was Liz making the point?

24 A I don't remember what -- what I -- what you
25 are referencing

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1 Q Okay

2 A I said at that point --

3 Q Okay I just misunderstood you

4 A -- I thought that Liz was the one in --
5 totally, she and Ms Boykin, for not getting -- being
6 ethical enough, in my opinion, to call us and say, "We've
7 got some problems We got to figure out what we need to do
8 with this " Or do you -- or, "Do you now not want to buy
9 the house' -- whatever would have gone down, I can't guess
10 how it would have gone down

11 I thought the whole time, sitting at closing,
12 that Debbie was just like us, seeing it for the first time
13 You know, so I thought this was news to her too

14 But I found out later, after we closed, that she
15 had, had a copy of it four or five days before closing as
16 well, and had made a conscious decision not to tell us
17 about it as well

18 Q This is a copy of the CL-100?

19 A Uh-huh

20 MR BRACKETT Yes?

21 THE WITNESS Yes

22 MR HARLING Thank you, Mike

23 BY MR HARLING

24 Q You said the contract changed at that point

25 A I felt like it did, because that wasn't what

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1 I put a contract on a house knowing or agreeing to

2 Q Okay Let's flush that out At what point
3 did you think the contract changed?

4 A When they got the report back, that there
5 was stuff wrong with the house and didn't -- opted not to
6 tell us

7 Q When you say "they," you mean?

8 A Liz and Ms Boykin, initially, and then Ms
9 Appleton later

10 Q And how, in your opinion, was the contract
11 changed?

12 A Because I didn't -- I agreed to buy a house
13 under the contract that we filled out and -- and the
14 agreement about the home inspection, and that everything on
15 the home inspection that showed up wrong was to be
16 repaired And all that I understood was still fine

17 But as of that point, that changed When you
18 find out that you've got that much rot under your house,
19 then you're, to me, obligated to tell a buyer immediately

20 And in fact, Debbie Appleton had made such a big
21 point our very first meeting to tell me when I said, "Well
22 I want the -- the Seller to pay for the heat and air letter
23 and the termite letter," and she said, "No, you -- no, no,
24 no We don't do it that way anymore "

25 I said, "What are you talking about?" I said,

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1 "That's the way we've always done it You know, if we're
2 selling a house, we offer to do the letters for them "

3 She said, "No, because of a problems that people
4 are running into with it "

5 And we said, "What?"

6 So she explained to us that people end up at
7 closings, finding out bad stuff at the very end and causing
8 a problem

9 Q When did she tell you that?

10 A The first time we met with her to make the
11 first offer on the house

12 Q When did you determine -- or when did you --
13 when did you begin to feel the contract had changed? Was
14 it prior to closing, or after closing?

15 A It was after -- I mean while we were sitting
16 there at closing, I wasn't really thinking along those
17 lines But after it's all said and done, I mean, and I
18 said to Liz, "You should -- you should have felt obligated
19 to tell us "

20 I said all of that to her sitting there at
21 closing that day

22 "I assure you it's done I assure you it's taken
23 care of "

24 Q Ms Appleton prepares a letter that kind of
25 lists your concerns with the house

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1 A (The witness nods head)
2 Q And that letter was sent to who?
3 A She told she took it to -- to Liz Beard
4 Q What happened next?
5 A We got back, "No-go Forget it, kind of
6 thing It's not going to, you know, float, kind of thing
7 Q Okay Tell me what --
8 A We just kept -- we just kept getting put --
9 put off, basically, is what --
10 Q Who was putting you off?
11 A Well, I mean, we were -- we were only
12 discussing stuff with Debbie at that point So, you know,
13 Debbie was saying -- I was saying, "They've -- and I'm
14 going -- say exactly what I said "They lied to us about
15 the windows, we've now found out " I said, "And I -- I
16 said, "We went over and over and over that
17 I said, "You -- I even made you call Liz Beard
18 back and make sure that, that was the only true estimate "
19 I said, "Now they've even lied about the windows " I said,
20 "I started looking into that and found out that's totally
21 bogus '
22 So I was talking with Debbie a lot, back and
23 forth, trying to figure out how we were going to work
24 everything out, is what it all boiled down to
25 And I said, "And when I repaired my house in

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1 Winnsboro, I had to do everything in the world to stop the
2 water problem " I said, "And I think that they should put
3 gutters on the house because of all the rot, because that's
4 part of why you're getting all this rot "

5 And I said, I'll pay for half the gutters if they
6 just pay for the -- you know, half of the gutters to -- you
7 know, so we made up the list of what the demands were

8 And Debbie just kept saying, You're not going to
9 get anymore for the windows because you, you know, settled
10 for that," kind of thing

11 So she was bucking me And that's when I got
12 kind of frustrated with her, and I said, "It seems like
13 you're more on Ms Boykin's side than you are us " And --

14 Q Tell me about -- tell me about the windows

15 A The addendum was written up saying that, to
16 repair or replace the windows, according to the home
17 inspection

18 A couple of days later, I get a call from Debbie,
19 I think it was on Sunday, she said, "Would you consider
20 cashing out on the pump and the windows, because she
21 doesn't want to go to the trouble of messing with the
22 windows before she leaves there She doesn't have time,"
23 or whatever the conversation was

24 I said, "I'll -- we'll have to think about it
25 Let me talk to Tommy "

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1 The next phone call back from Debbie, I said, "We
2 talked about it, and yes, we will consider it I said,
3 "But is she getting estimates?"

4 The quote to me was "Yes In fact, I think
5 she's getting a second one "

6 Q Who told you she said that?

7 A Appleton

8 Q Okay

9 A I said, "Okay " The next phone call was the
10 offer And I thought then, Okay, five hundred for the
11 pump Tommy's brother-in-law's a -- owns a well company
12 and he knew 500 was right for the pump

13 And I looked, I thought, Debbie, does that sound
14 -- I said, "Are you sure twenty -- I said, "that's on a
15 real estimate?"

16 And she said, 'I'll call Liz back "

17 She calls -- Debbie calls me back She said, "I
18 talked to Liz Liz promises that's on a true estimate "

19 And my comment was, I said, "Well, obviously,
20 they can be repaired because I've never had those kinds of
21 windows "

22 So I thought, Well, maybe there's a process in
23 which they can be repaired I -- I didn't know But I
24 took their word for it, that I had pushed the point and had
25 these people telling me over and over That's on a true

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1 estimate

2 So I went to Tommy and I said, "They promised
3 that it is Do you want to accept that?"

4 And he said, "Yeah, I guess so I have no reason
5 not to trust them '

6 So I called Debbie back and said yes

7 Q What was wrong with the windows?

8 A They have all lost their gas seals and
9 they're fogged up and you can't see out of them

10 Q All of them? Excuse me -- all of them?

11 A All to different degrees There are some
12 that are completely obliterated where you can't see
13 anything, like, if I'm in the bathroom upstairs and look
14 out to look down at the pool, you can't see anything It's
15 totally -- a lot of them are that way

16 Certain ones were identified in the home
17 inspection as being bad, but they actually all are gone
18 Even the -- the light across the top of the front door and
19 the two down the side were not identified, they are all
20 speckled and "gooped up" too -- all the windows are
21 basically gone

22 Q When did you notice the windows were gooped
23 up?

24 A I never noticed it when I was -- when I
25 viewed the house the first time, because I never wrote -- I

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1 remembered I never even noticed it or wrote notes myself
2 about it when he identified And then I think a couple of
3 my visits thereafter, I noticed like in the kitchen, you
4 could see it looking fogged up

5 So I had started noticing a few And then when
6 the home inspection was done, it was written up that some
7 of the windows were -- had lost their gas seals

8 Q Does Mr Gladden's brother have a cell
9 phone?

10 A Yes

11 Q Did you call Mr Gladden to ask him about
12 the 2500-dollar figure?

13 A Uh-uh

14 Q Why not?

15 A I took --

16 MR BRACKETT You have to answer no

17 A No I took them as being honest people

18 Q Would it have been a hardship for you to
19 call Mr Gladden's brother?

20 A No

21 MR HARLING Let's go off the record

22 (A recess was taken from 12 29 p m to 1 00 p m)

23 EXAMINATION RESUMED

24 BY MR HARLING

25 Q Ms Gladden, what did you do to prepare for

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1 And the last words I said to Debbie on the
2 telephone was, "There is one thing I'm going to ask of
3 you " And I said, Just tell the truth "

4 Q And then you sued

5 A And then I sued

6 Q When did you first notice mold or mildew in
7 the house?

8 A The day -- the day I moved there

9 Q You didn't notice it prior --

10 A Well, I mean I saw what I assumed was When
11 I walked into the bedroom upstairs the big, black wad up
12 over the -- where the master bed was, I saw that

13 Q Was it there before you closed?

14 A I assume so Well, I mean, it would have to
15 be Because it's flowering, if you know about mold, so
16 it's been there quite some time

17 So at that point, I started kind of walking
18 around And then I found the front bedroom with it in two
19 places, and started getting concerned And then found it
20 in lots of places

21 Q How many places?

22 A It's up around the top of the bedrooms, in
23 both the Jack and Jill bed -- the two bedrooms -- small
24 bedrooms upstairs

25 It's around the best -- you can see around the

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1 heat and air vent in the master bedroom It's around all
2 the windows It's behind the wallpaper It's around
3 receptacles This is after we started looking

4 And the other day I took curtains down over the
5 bedroom -- I mean, the window in the dressing room, and the
6 whole framing around the window, and the mini blinds are
7 full of it, so that's new, we found

8 There's a big patch down in the garage, a big
9 spot of it right as you go to crawl underneath the
10 crawlspace door, it's right there to the side

11 The linen closet, it's all filled back in that
12 corner of the linen closet And it's some more places, but
13 I -- some in the Jack and Jill bathroom

14 But the places of concern are the centers of --
15 of walls, when you have the intrusion into the home, not
16 where you would normally find water, but --

17 Q Have you tried to clean any of the mold?

18 A I've not touched it They told me, "Do not
19 touch it "

20 Q Who's 'they'?

21 A The engineers -- environmental engineer
22 And the company, the ARM, the people that remediate As
23 soon as you touch it, it spreads the spores, because a
24 gazillion of them everywhere

25 Q When you said the mold was flowering, what

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1 A -- just like Ms Boykin

2 Q When you were a real estate agent, were you
3 responsible for everything that the person you were
4 representing was responsible for in selling or buying a
5 house?

6 A I never really got into it that deep, so --

7 Q You just gave me the opinion that you
8 thought Ms Beard is responsible for everything that Ms
9 Boykin's responsible for

10 A Uh-huh

11 Q And you were a real estate agent, right?

12 A Right

13 Q So you don't know what she's responsible
14 for, do you?

15 A I think she should know whatever Ms Boykin
16 told her Or, I just think as her agent, she should know
17 the answer, I guess, to those questions if she's the
18 listing agent for that house If that's what Ms Boykin
19 told her, then that's what she wrote down

20 Q What if Ms Boykin was mistaken?

21 A Then that's something that the two of them
22 would have to work out

23 Q Sue them both and let them work it out

24 A I wouldn't know any other way to do it
25 because of her being her agent

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1 were telling the truth I think --

2 Q What evidence do you have that Mrs --
3 excuse me -- Ms Beard knew the actual age of the HVAC
4 units?

5 A I don't have any knowledge of that

6 Q We talked at length about the CL-100, is
7 that correct?

8 A We've talked at length?

9 Q You and I

10 A We -- we talked about the CL-100, yes

11 Q When were you first given a copy of it?

12 A At closing

13 Q Was the CL-100 ever discussed with you prior
14 to closing?

15 A No

16 Q Never

17 A Never

18 Q Did you know what a CL-100 was before you
19 walked into that closing?

20 A Actually, I -- I did not know that's what it
21 was called I always just knew a termite letter and a HVAC
22 letter, so that's all I knew

23 Q When did you first become aware that there
24 was something in the world known as a termite letter?

25 A I guess when we bought and sold our own

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1 houses I mean, I learned that somewhere along the way

2 Q Did you ever ask where the termite letter
3 was when you were purchasing this house?

4 A I didn't I kept asking, "Is everything
5 going" -- of Debbie, you know, I talked with her a lot A
6 lot, lot -- "Is everything going okay?"

7 You know, I expected her, as my agent -- which I
8 had never had one before -- that was what I thought what
9 she was supposed to be doing, looking out for me, making
10 sure everything was getting done that kind of stuff was
11 getting done

12 And -- and it actually -- it didn't cross my mind
13 during the process, because what went -- would have gone
14 through my mind, or if it did go through my mind, would be
15 If there was a problem, they would have immediately let us
16 know

17 Because that's the way I live and I function If
18 there had been a problem, first thing I would have done was
19 -- been to have given it to the agent to get the
20 information to the buyer

21 Q Do you recall if termite letters were
22 discussed when you went to real estate school?

23 A I couldn't honestly tell you that It's
24 been too long ago

25 Q When you were given a copy of the CL-100

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1 letter at the closing, did you look at it?

2 A Yes

3 Q And did you sign it?

4 A I initialed it He said that you initial it
5 saying that you got a copy of it, yes

6 Q And Ms Appleton provided it to you

7 A No

8 Q Who provided it to you?

9 A Liz had it, as far as I remember Or it was
10 in the packet of stuff But --

11 Q Now, let's get --

12 A Liz is the one that dealt with it the whole
13 time Debbie never -- as far as I know, I think one time
14 it was handed to her and she looked at it, sort of as if
15 she was seeing it for the first time, but never said a
16 word

17 So no, Debbie never spoke up and never, ever
18 dealt with the CL-100 Liz is the only one that dealt with
19 the CL-100

20 Q I want to be clear on this Did the first
21 time you were handed a copy of the CL-100, who did it come
22 from?

23 A Possibly from the attorney from the packet
24 of everything I -- I can't exactly remember It might
25 have been from Tommy

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1 don't know that she checked I don't -- she could have
2 been checking to see if they had been done, just like I
3 checked to see if my work that I did for my people were
4 done

5 Q But my question was What evidence do you
6 have that she knew that they had not been made?

7 A None Prior to everything, I mean Not
8 after I told her they weren't correct

9 Q Prior to closing

10 A Yes

11 Q The repair addendum -- let's back up Under
12 Causes of Action regarding HVAC letter -- or HVAC units on
13 the house --

14 A Right

15 Q -- do you want to replace those units?

16 A Yes I want to replace the entire systems,
17 period, because of the age and the efficiency and all that
18 I want them replaced -- I want what I was told was there
19 I want the -- I want what was told to be new, new That's
20 the basic point

21 Q So you want new units You just don't --
22 you don't want money for new units You want new units

23 A Well, or the money to get the new units,
24 depending on whatever the scenario is

25 Q Do the units you have now work okay?

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1 A They're okay I reviewed the history, once
2 I got Flowers to send me the history And there's some
3 problems with the ones out there that you can see that
4 Freon's having to be put in them and drain lines having to
5 be blown out routinely and some things wrong with them

6 And one part of one in the FROG has already been
7 replaced It's not the one -- the part that was told to us
8 to be new But they're just old and inefficient The main
9 part of it up in the attic is the age of the house, which
10 is 20-something years old

11 Q Do they work okay?

12 A I -- I guess so I haven't had to call for
13 repairs except what broke in the room over, so far

14 Q How much --

15 A I mean, I -- I'll always have people service
16 stuff at the beginning of every season, so I'll have
17 somebody come and service at the beginning of the summer
18 and beginning of the winter

19 Q How do you know they're inefficient?

20 A Flowers and I talked about that And I --
21 and then one of the other guys that I got to give me bids
22 we're talking about how much more the newer systems were
23 more efficient and --

24 Q The people who were trying to sell you new
25 air conditioning --

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1 A No

2 Q -- was telling you that their old ones were

3 not --

4 A No

5 Q -- efficient

6 A They -- they --

7 Q Flowers hasn't given you an estimate --

8 A They gave me estimates because I asked for

9 estimates, that's correct But they didn't tell me that to

10 win me over I was getting estimates to see what it would

11 cost to replace all of it

12 Q And you're replacing them with comparable --

13 are you getting estimates to replace them with comparable

14 units?

15 A Yes

16 Q How much is your average heating and cooling

17 bill?

18 A Wintertime, 200-and-something, it seems

19 like Summertime -- kind of -- they're about similar

20 Somewhere between one -- almost toward 200, and over 200

21 I think we had one that was 300 one time It's gotten

22 better since I went around and closed all the holes up

23 around all the windows this season

24 Q So your average --

25 A I'm thinking --

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1 Q -- is it between 200 and \$300?

2 A I would say around -- say 175 to 325, in a
3 range there There have been a couple that have gone over
4 300

5 Q And how many square feet is your house?

6 A The main part of the house is 3800

7 Q What do you keep your thermostat set on?

8 A Sixty on the second level, all the time
9 And if I'm in the downstairs, I close off the back part of
10 the house, and I keep the thermostat on -- somewhere around
11 65

12 Q Why do you keep it so cold upstairs?

13 A Because I'm perimenopausal and hot

14 Q That's where you sleep?

15 A That's where I sleep

16 Q And that's where a majority of the mold is
17 in your house, upstairs?

18 A Yes

19 Q Thank you And you believe that you should
20 be compensated for buying -- or for the difference between
21 the air conditioning units you thought you were getting and
22 the ones you got, is that correct?

23 A I think if you tell me they were new, then I
24 should have been able to expect them to be new, which would
25 have had a certain value Whereas, as of about ten years,

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1 their life expectancy's shot

2 Q Ten years

3 A That's what both heating and air people told
4 me

5 Q Both people that were trying to sell you new
6 units told you ten years

7 A One guy was there to do a repair I didn't
8 -- he didn't come there specifically to give me any kind of
9 estimate He came because I needed a repair done While
10 he was there, I asked him to give me a -- an estimate

11 Flowers, I got the history of the units And I
12 asked him when he had a chance, would he come by And
13 that's when I asked him, "Tell me what "new" means Two
14 years? Three years?"

15 And he looked at me and he said, "New is new "

16 And that's how I knew that And then I said,
17 'Well what is the life expectancy of it " I asked Flowers
18 that

19 And he said, "Ten years "

20 But no, they haven't --

21 Q Did you call him before closing and ask him

22 --

23 A No

24 Q But you could have

25 A I could have

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1 the windows are bad?

2 A I haven't asked them to go around, though,
3 and count them, no I can walk around and --

4 Q Who have you asked to go around and count
5 the windows that are bad?

6 A I on -- well, for the complaint and the
7 suit, I just used the list that Mr Roberts applied So I
8 -- he considered them bad So, therefore, I've only asked
9 for the ones he considered bad

10 (Defendant's Exhibit No 22 was marked for
11 identification purposes (12 pages) - Written Assessment and
12 Estimates by Francis E Haskins, Jr dated 2/5/07)

13 BY MR HARLING

14 Q Okay I'll hand you what's been marked as
15 Exhibit 22 That document has a Bates range of 00329
16 through 00340 Take a look at that and tell me if you
17 recognize is

18 A Yes, I do

19 Q Tell me what that is

20 A That is Gene Haskins write-up of everything,
21 and what it would cost to repair, in reference to the same
22 list of things, the CL-100, the repair addendum, the
23 hardwood floors upstairs, the inferior flooring in the
24 house

25 Q And who is Mr Haskins?

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1 A He's my brother

2 Q Do you and your husband intend on relying on
3 this report that he prepared, in this litigation?

4 A Yes

5 Q Tell me how you -- tell me how this report
6 came to be made

7 A After we decided to pursue the situation, we
8 needed to get a structural engineer in I called him to
9 get a reference from him because I knew he was a structural
10 -- I mean, I know he's a civil engineer And I asked him
11 did he know of someone in our area, or someone that he
12 could reference for me, or get for me, or suggest for me

13 And he said, 'Baby, I do that So I would be
14 glad to do it for you

15 And I said, "Okay "

16 And so that's how we hooked up about it

17 Q To your knowledge, has he ever worked on
18 residential construction?

19 A I cannot answer that

20 Q When did you first make contact with him
21 regarding preparing this report -- or inspecting your
22 house?

23 A We met with Mr Brackett at the last week in
24 January, I think it was So I probably called him the next
25 week, or shortly after that Because he came the first --

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1 the first of February, was the soonest date he could come

2 Q Was this document prepared the day he
3 inspected the house?

4 A He inspected the house and then he -- and he
5 video -- and he did his video And then I think he came
6 back the next Monday or Tuesday He called me because he
7 didn't have time -- he'd spent the whole day there with us
8 -- and he called me It was either on Monday or Tuesday of
9 the next week and -- and came back and wrote it up

10 Q Who does he work for?

11 A It's a sister company to the Beach Company
12 in Charleston

13 Q Do you know the name of the company he works
14 for?

15 A Gulfstream, I think is -- didn't he write it
16 on there I thought maybe No No

17 Q What's the name of his company?

18 A I think it's Gulfstream

19 BY MR McCUE Jim Woods is the president of
20 it

21 THE WITNESS Yes, Jim Woods is

22 BY MR HARLING

23 Q Is it an LLC or is it incorporated? Is
24 Gulfstream the full name of it?

25 A I think so

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1 all going crazy in my head at the time, thinking, What did
2 she just say to me?

3 But she -- she reiterated She said, 'But she
4 promised me, assured me, that it would -- that there would
5 be a clear letter at closing "

6 Q Did you have conversations with Debbie
7 Appleton over the telephone about other items that were
8 going to be -- going to occur at the closing?

9 A I can't -- I can't remember in detail if --
10 what I went over with her ahead of time We -- I had such
11 a, you know, issue with getting that straight the day
12 before

13 Q Getting straight the issue about the --

14 A About --

15 Q -- price?

16 A Yeah And so it wouldn't mess up our
17 mortgage stuff and all of that

18 Q And when did you close your house in
19 Winnsboro?

20 A The Monday prior to that, which would have
21 been the 20th

22 Q So that same week, is that right?

23 A Yes

24 Q So there was a lot going on in your life at
25 that time?

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1 that's when Tommy decided he liked Mrs Boykin's better
2 than that one, but she had already written it up and sent
3 it to me But we just didn't go past that point

4 Q And who's house were you writing up a
5 contract on?

6 A It was a house in Southgate that had been on
7 the market a good while I don't remember the address

8 Q Who owned it?

9 A I don't remember that either, if I knew it
10 at all

11 Q And who wrote up the contract for you?

12 A Betty McGinnis

13 Q So that was sometime in September --

14 A It was actually --

15 Q -- of 2006 --

16 A I'm sorry

17 Q What --

18 A It actually very close up on when we put the
19 contract on Mrs Boykin's the second time It was right
20 before that So that was 10/12, so it would have been
21 before that, I think

22 Q So you made an offer on Ms Boykin's house
23 that was turned down, is that right?

24 A Yes In September --

25 (Talking over one another)

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1 knowledge, before closing was she withheld that information
2 -- a conscious decision to hold that information about the
3 CL-100

4 Q Well, what evidence do you have that it was
5 a conscious decision to withhold evidence?

6 A Well, if you withhold it, it's a conscious
7 decision

8 Q Could it just be accidental?

9 A I wouldn't think so, not when she explained
10 to me personally how it went down and what was said between
11 --

12 Q Well, what --

13 A -- the two of them

14 Q What did he tell you? Because I thought
15 we'd been through that

16 A We did

17 Q And what did she tell you that made you
18 believe it was a conscious decision that she withheld the
19 information on the CL-100?

20 A That Liz Beard convinced her that she would
21 provide a clear letter that day, and she took Liz's word
22 for it

23 Q Okay Anything else?

24 A Not before closing

25 Q Now, did she walk through the house with you

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1 before closing?

2 A Yes

3 Q And she was there when Mr Grecheski showed
4 up?

5 A Yes

6 Q And went through the list of the items that
7 needed to be repaired?

8 A Yes

9 Q And did she ask him about whether the
10 repairs had been done?

11 A She asked him about -- we went through the
12 list of the checklist

13 Q Right

14 A Never was anything mentioned by anyone about
15 any of the repairs about a CL-100, because it --

16 Q I didn't ask that I asked about the
17 repairs Did she ask --

18 A Well, that was the --

19 Q -- Mr Grecheski --

20 A -- repairs

21 Q -- about the repairs on the repair addendum?

22 A We went down the list with him together

23 Q Who is "we"?

24 A We --

25 Q Were you asking, or was she asking?

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1 A We were both sort of talking with him at the
2 same time, but she was going down the list and checking
3 them as we went

4 Q Okay Were you taking control of the
5 conversation with Mr Grecheski?

6 A Not really We were just going one by one,
7 and then --

8 Q So she was the lead person in the
9 conversation not you?

10 A If I remember correctly, yes 'Cause she
11 had the sheet in front of her and I was sort of to the
12 side, and she was helping -- I mean, she was reading
13 through them

14 Q She was reading through them and he was
15 answering the questions

16 A As far as I remember

17 Q What else do you remember about that
18 conversation with Mr Grecheski with Ms Appelton there?

19 A About that he was saying that about the
20 shutters were still -- it was damp outside -- or they were
21 damp and they were still in his shop, and that he would get
22 them put up -- he'd put them up today but he really
23 preferred not because they were damp And I --

24 Q And that was acceptable to you --

25 A That was all right

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1 Q -- that day

2 A But he made -- he made me -- I assumed he
3 would be before I moved in He said, "I'll take care of
4 it I'll get it up "

5 'Cause he still had another whole day before
6 Thanksgiving So I -- I thought he was going to be getting
7 them up, you know, the next day

8 And the condensation line, he said he had not
9 run

10 Q But that was acceptable to you also, that he
11 had --

12 A I told him --

13 Q -- done that

14 A I told him he could do that later

15 Q And did you give him a deadline?

16 A No

17 Q But that was a conversation you had where --

18 A In fact, I --

19 Q -- accepted that

20 A I'm sorry In fact, my assumption was that
21 was going to get done before I got there as well In fact,
22 I wasn't sure that wasn't what he was there to have them do
23 that day I thought both of those things would be done
24 before I moved into the house that's the only way I know
25 how to answer that

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1 that you saw

2 A I don't remember that But there was a
3 sheet in there -- that was what I was going to go to next
4 when we finished talking about this sheet we were talking
5 about There was another handwritten sheet of hers that
6 went down -- and she wrote one by one by one, of obviously
7 she was looking, from my best guess, at the home inspection
8 she had done in May

9 Because she wrote a list of all the things that
10 needed to be done per that home inspection And up at the
11 top she had two electricians listed, she had the name of
12 the other home inspector that was the one -- other one that
13 Debbie had given me the name of, she had written the name
14 of the company and Mr Outlaw, and had written out to the
15 side "hardest but best," or something like that, in
16 reference to I guess what kind of work he did That was at
17 the top of it

18 And then it went one by one and she numbered
19 them And then over to the side, she had checked off all
20 of the ones that she had, had an electrician do, and the
21 electrician's bill was attached to the back

22 Q And you saw that the day before closing?

23 A No

24 Q You didn't see that until after you closed

25 A Correct When she left me the packet in the

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1 drawer, that's when I got to go through all of those
2 things

3 Q Did you have any discussion with her about
4 did she have any historical information regarding repairs
5 she had done on the house?

6 A No, I did not

7 Q Other than having Mr Truesdale come out to
8 the house to question him about the condition of the roof,
9 have you asked anybody else who worked on this house to
10 come out and talk to you about what they did?

11 A No

12 Q Have you talked to anybody on the phone from
13 Terminix?

14 A Yes

15 Q And why did you call Terminix?

16 A I called Terminix because I started calling
17 everything into question, then, on the disclosure form
18 after all -- everything started falling apart after we
19 moved in, I called about the transferrable bond And I
20 asked them if that were the case, then I was told no, it
21 was not

22 And that was something that I had made a point to
23 ask her -- when Debbie and I walked through, I think one of
24 the last times In fact, I think that last day we were
25 there when we reviewed the house, I said, "And you did say

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1 Q She was standing right next to you?

2 A We were walking sort of in a line through --

3 you know, following --

4 Q Where was Debbie?

5 A I can't remember who was first or second I

6 may have been last, Debbie second -- I can't remember that

7 We were all together And then when Mrs Boykin told me

8 the other time, it was just Ms Boykin and myself

9 Q Did you talk to the other home inspector

10 about Ms Boykin's house before you eliminated him as a

11 potential person to inspect the house?

12 A Mr Outlaw?

13 Q Is that who it was, Mr Outlaw?

14 A Yes, I did I interviewed two people

15 Q But did you talk particularly about Ms

16 Boykin's house?

17 A No

18 Q He had no specific knowledge about the house

19 --

20 A No, ma'am

21 Q -- he gave to you When you testified last,

22 you said you went to see Ms Boykin yourself, is that

23 right?

24 A Yes

25 Q Did you call her up to tell her you were

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R-208B

1 them a second time, some of them at least, or all of them

2 I find it hard to think that you can crawl under
3 a house and not see four places of, you know, water damage
4 to sills and subfloor and joists and miss it two times when
5 it is blatant and obvious for Terminix to find

6 Q All right We'll follow-up on that in just
7 a minute All right What's the third contact -- or did
8 you have any other contacts with Mr Roberts prior to the
9 inspection?

10 A No

11 Q All right And did you read the Palmetto
12 contract?

13 A He presented me with the contract at the end
14 of the inspection at his vehicle it was the first time I
15 ever knew there was a cont

16 Q Well --

17 A So --

18 Q -- I appreciate that response, but if you'll
19 answer my question and then you can elaborate --

20 A Okay

21 Q -- the record will be much more cleaner,
22 okay? "Did you read the contract?" was the question

23 A I looked over the contract And yes, I
24 mean, I read briefly through it, yes, and initialed the two
25 places he pointed to, to initial to, and signed saying that

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1 I had read the contract, yes

2 Q Okay All right So you read -- you read
3 the contract, and after reading it you signed it

4 A Yes

5 Q All right And agreed to the terms of that
6 contract, correct?

7 A I signed it, yes

8 Q All right And by signing it you agreed to
9 the terms of the contract, correct?

10 A Yes

11 Q All right Did you read the Standards of
12 Practice for the South Carolina Residential Home Inspectors
13 --

14 A No, sir

15 Q -- that are referenced in the contract?

16 A No, sir

17 Q You understood from reading the contract
18 that it's a visual inspection

19 A I noted that when I did get it

20 Q Right That didn't surprise you, did it?

21 A Not really

22 Q Okay 'Cause you didn't want him to go and
23 do destructive testing on your house, did you? Or on Ms
24 Boykin's house at that time

25 A No

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1 Q -- for his inspection You didn't expect
2 him to go into the crawlspace and remove crawlspace
3 insulation, did you?

4 A No

5 Q All right You didn't expect him to take
6 out the AC ducts to get into areas that he couldn't get
7 into

8 A No

9 Q All right You didn't expect him to take
10 any of the furnishings or any of the items that were in any
11 of the closets out, did you?

12 A No

13 Q All right All right Did you have any
14 conversations with Mr Roberts on the date of the
15 inspection?

16 A Not until the end of it when I went out with
17 him and Debbie to meet him And that's when he gave me the
18 contract to sign -- read and sign, he gave me the invoice,
19 I think

20 And I gave him the -- wrote him the check for the
21 amount -- and a business -- I think he gave me a business
22 card in case of referral, I think If I -- I'm trying to
23 remember

24 But then he went over, verbally, what he sort of
25 had -- what he thought about the house And that's the

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1 contact I had with him

2 Q All right You said he went over, verbally,
3 what he thought about the house

4 A Well, what his findings were

5 Q Okay He wasn't giving you advice on
6 whether to buy the house or not, was he?

7 A No

8 Q Was he expressing any opinion as to the
9 value of the house?

10 A No

11 Q Or whether you should purchase the house?

12 A No

13 Q And you weren't looking to him for any of
14 that

15 A No

16 Q Okay He went over his findings, is that
17 right?

18 A Yes

19 Q Did he go over anything that's not listed in
20 his report?

21 A No He showed me the pictures he had taken
22 He mentioned that a few things had been done since he had
23 been there, so I think he said some electrical things had
24 been done and the garage doors had been changed to new
25 garage doors

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1 questions Between the time he left the inspection when
2 you-all -- when you signed the contract and he showed you
3 some of the items that had observed, were there any
4 conversations that you had with Mr Roberts between that
5 date and the date of closing?

6 A No

7 Q Okay Any conversations that your husband
8 had, that you would be aware of?

9 A No

10 Q Okay At any time, did you ask anyone
11 acting on your behalf to call Mr Roberts?

12 A No

13 Q Okay Let's talk about any contacts you had
14 with Mr Roberts following the closing

15 A I called him the next -- I think the date --
16 it's the date of the check, which was the -- would have
17 been 11/29, or 28 It was either Wednesday or Thursday
18 It seems maybe a Wednesday

19 Q All right

20 A -- following closing, a week later

21 Q All right And let me -- you say "the
22 check " Are you talking about the check from Mr Roberts
23 --

24 A Yes

25 Q -- to you?

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1 A I'm trying to get the dates But that's the
2 day I -- the day I called him and spoke with him is the day
3 that's dated So that's what I was trying to identify
4 exactly And I called him that day

5 Q All right And that's the check that he
6 returned to you for the full amount of the contract --
7 contract price?

8 A Yes

9 Q Okay And he did that the date that you
10 called and expressed concerns about the closing?

11 A I expressed concern not specifically about
12 the closing, just about his missing the -- all of the water
13 damage from the CL-100 And that was what I mainly called
14 him and asked him, if he wanted to come look to see what he
15 had missed

16 Q All right And the check that you're
17 referring to is what was marked as Exhibit 26?

18 A Yes

19 Q Okay Did Mr Roberts tell you he was going
20 to do anything in response to your call the week after
21 closing? That's a bad question Let me rephrase that

22 Before I get to that one, though, did you have
23 any other conversations with Mr Roberts after that date or
24 the 28th or 29th, when that check was written?

25 A The phone conversation and the conversation

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1 with him in the yard that day was the last I had of --

2 Q Last conversations --

3 A -- with him

4 Q -- you ever had with him, until this
5 lawsuit

6 A I left him a voice mail and asked him to
7 call me back 'cause I wanted to see if he would give me a
8 copy of the first home inspection And he never responded

9 But I did not speak with him, no And he did not
10 call me back

11 Q Okay All right So the last conversations
12 you had with him were the two conversations on the date
13 that he gave you the check

14 A Yes

15 Q Okay Let's talk about the telephone
16 conversation that -- where you called him

17 A Okay

18 Q Tell me about that conversation Tell me
19 what you said and what he said

20 A To the best I can tell you, I -- I just ask
21 -- I know I asked him over and over, "Just tell me how you
22 could have missed that much damage under this house "

23 And he just kept saying, "I don't know I'm so
24 sorry "

25 I really never, ever said anything other than,

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1 'Are you sure you don't want to come look at it?"

2 I never threatened him I just -- I just was so
3 frustrated And I did tell him, you know, that we saw the
4 CL-100 for the first time at closing and, you know -- or
5 had a stroke over it, you know And that's basically all
6 we said

7 And toward the end of the conversation, that's
8 when he made the comment, "Well, would it make you feel
9 better if I gave you-all your money back?"

10 And I said -- and it kind of surprised me I
11 said, "You do what you feel the need to do "

12 And that's when he said, I'll be there in ten
13 minutes " And he came in ten minutes

14 Q The damage that you were upset that he
15 missed, was the damage that was on the CL-100, correct?

16 A At that point in time, yes And by then, I
17 also had noticed the first night after we were there about
18 the floors and how bad they were

19 Q The creaky, squeaky floors

20 A But what I was intent on was being upset
21 about the -- how he could have missed something that big
22 after we -- we discussed in detail on his phone call with
23 me about the structure

24 I kept saying, "I'm concerned about if you -- if
25 that's what you do for your job is to inspect it and make

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1 A No, they were not made

2 Q Do you recall which repairs were not made?

3 A We do have a listing of those items that
4 were not repaired There were several that we
5 had -- there was a commitment made by a contractor,
6 but the, you know, commitment was not followed
7 through

8 Q Tell me about the commitment the
9 contractor made

10 A First off, the commitment was not made to
11 me So, I mean, the commitment was made in writing
12 and presented in -- obviously in a statement that we
13 got from them, but the commitment was such things
14 as -- and I'll take an example for you The
15 shutters, that they would have been repaired and
16 replaced And they were not

17 Q Do you recall who the contractor was?

18 A The contractor was Ski Construction, to
19 the best of my knowledge, for the ones that I'm
20 referring to

21 Q Were you advised that the repairs had, in
22 fact, been made?

23 A Yes, I was

24 Q Who gave you that information?

25 A One particular person that gave me

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THOMAS W GLADDEN

1 information of such was Ms Beard during closing

2 Q Tell me what she told you at closing

3 A Sir, the best I can recall, the quote was
4 made that Sk1 had corrected all of the problems is
5 what she pretty much said during closing

6 MR MCCUE I'm sorry He had
7 corrected all the problems and then you tailed off
8 after that

9 THE WITNESS That is what I said
10 That he had corrected the problems is what she told
11 us

12 MR HARLING You said during the --

13 MR MCCUE Would you read back the
14 last phrase in his prior answer? I just want to
15 make sure I've got it down, please Thank you

16 (The record was read back by the
17 Court Reporter as requested)

18 BY MR HARLING

19 Q And did the contractor provide you with a
20 document saying that he had, in fact, made the
21 repairs?

22 A Sir, the contractor provided those
23 documents to the seller and her agent

24 Q Did they ever provide you with those
25 documents?

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THOMAS W GLADDEN

1 A Yes, they did

2 Q And those representations were made to you
3 during the closing?

4 A There were some that were made during
5 closing, yes

6 Q Did you have a home inspector or any other
7 type of inspector inspect the repairs that were made
8 prior to closing?

9 A The question is did we have a home
10 inspector inspect the repairs that were made prior
11 to closing? No, we did not

12 Q Why did you not do that?

13 A My wife and our agent, Ms Appleton, did a
14 walk-through And at the time they met with -- the
15 contractor was available And the contractor talked
16 to them And I would have to defer to my wife on
17 the discussion there

18 Q But to the best of your knowledge, the
19 contractor was there when they did the walk-through?

20 A To the best of my knowledge, yes

21 Q Do you recall roughly when the closing
22 was?

23 A Our closing was November 22

24 Q Was the closing delayed for any reason?

25 A There was a delay in there, yes

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THOMAS W GLADDEN

1 Q Tell me about that

2 A And please understand that I'll give you
3 kind of rough ball park things There may be more
4 details

5 Q And the best of your knowledge is all I'm
6 asking for

7 A That is all I can give you There was
8 identified that there were problems with the CL-100
9 letter during closing That was the first
10 opportunity that I had seen that CL-100 letter A
11 document was provided by the seller's agent that
12 demonstrated that the problems had been corrected

13 I had some questions about the
14 documentation There was some negotiation of some
15 earnest money or whatever to make sure that those
16 corrections had been made And there was a request
17 for additional documentation to clarify that the
18 problems had been made And we're talking a couple
19 hours delay

20 Q So the closing was not delayed -- there
21 was a delay during the closing on the 22nd regarding
22 the CL-100? It was not --

23 A As far as I know

24 Q It was not scheduled for December 20th and
25 delayed to December 22nd?

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THOMAS W GLADDEN

1 A Not to my knowledge

2 Q You said that Ms Beard provided some
3 documentation regarding the repairs?

4 A That is correct

5 Q And I believe you said that you requested
6 additional documentation?

7 A What I asked for was clarification of that
8 documentation

9 Q Do you recall what the documentation
10 Ms Beard provided was?

11 A The documentation referred to repairs that
12 been made to the sill work. However, the sill work
13 repairs did not completely line up with the CL-100
14 letter. And it was Ms Beard that stated that, in
15 fact, all of the work identified in the CL-100 had
16 been corrected.

17 Q And you received some additional
18 documentation?

19 A Later we did, yes

20 Q Was that during -- later during the
21 closing?

22 A Actually, that was probably the
23 following -- it may have actually been the following
24 week that we got that document from the construction
25 company through Ms Beard

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THOMAS W GLADDEN

1 Q And did that -- the documentation you
2 received after the closing, did it represent that
3 the repairs had been made?

4 A The comment was -- the statement was made
5 that, yes, they had been made

6 Q And that was made by the contractor?

7 A To the best of my knowledge, the document
8 that I received came from the agent, the last
9 document

10 Q Who was the closing attorney?

11 A The closing attorney that we had was also
12 Tommy Sprott

13 Q Who hired Mr Sprott?

14 A To the best of my knowledge, we did

15 Q He was representing you?

16 A Well, yes

17 Q Did you ever discuss putting off the
18 closing?

19 A Yes, we did

20 Q Tell me about that

21 A I made the comment during closing that I
22 was not comfortable closing with just receiving the
23 CL-100 letter at that time

24 Q Who did you make that statement to?

25 A Those people in the room Ms Appleton,

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THOMAS W GLADDEN

1 correct?

2 A That's correct

3 Q All right Based on this list it appears
4 that you viewed this house as a fixer-upper, is that
5 right?

6 A I viewed this house as needing some
7 repairs, yes

8 Q Okay You weren't walking into a brand
9 new home?

10 A That's correct

11 Q You knew there were conditions with the
12 house that would need to be repaired either by you
13 or the seller?

14 A Yes

15 Q All right And you also knew that you
16 could choose to buy the house or not buy the house?

17 A Yes

18 Q All right With regard to the closing
19 date November 22nd, was there any requirement that
20 you close on November 22nd?

21 A Yes

22 Q All right And what was that?

23 A We had sold the house in Winnsboro And
24 now please understand that what I mean by
25 necessarily exactly the 22nd, we were under pressure

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THOMAS W GLADDEN

1 to get into a new residence because the house we
2 currently lived in in Winnsboro we had already
3 closed on and had an arrangement for an extended
4 stay just to get us through Thanksgiving

5 Q Okay All right So you wanted to close
6 on the 22nd so that you could move out of your house
7 in Winnsboro and move directly into your house in
8 Camden, is that right?

9 A Yes

10 Q And that is more of an issue of
11 convenience rather than requirement, isn't it?

12 A A lot of it requirement because of the
13 nature of my job That was the time where I had a
14 period that I could physically move

15 Q All right Did you hire movers to move?

16 A No, I did not

17 Q You moved your own?

18 A I had movers to work with me I had
19 gentlemen to work with me, but the majority of
20 moving was done by me

21 Q All right Was there any legal
22 requirement that you close on this house on
23 November 22nd?

24 A No, there was no legal requirement

25 Q Okay So if you wanted to delay closing

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THOMAS W GLADDEN

1 to follow up on the CL-100 report you could have
2 done that, correct?

3 A No, sir, because, as I mentioned to you
4 earlier, I had a physical requirement that I have a
5 place to live

6 Q Right Now, I haven't been to Camden to
7 spend the night in quite awhile I live in
8 Columbia So I drive back and forth, but I assume
9 they've got hotels pretty close to Lugoff-Elgin High
10 School?

11 A The challenge would have been for storage
12 of a household

13 Q I assume they've got storage facilities
14 over in Camden and the Lugoff area?

15 A They do

16 Q All right So other than convenience,
17 there was no legal requirement that you close that
18 day?

19 A Once again you are correct There is no
20 legal requirement

21 Q And had you and your wife chosen to you
22 could have delayed the closing to conduct an
23 investigation into the issues in the CL-100,
24 correct?

25 A However, we were --

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THOMAS W GLADDEN

1 Q Sir, if you will answer my question yes or
2 no, and then you can fill in the howevers

3 A Okay To answer your question, yes,
4 however, we were convinced that the CL-100 problems
5 had been corrected

6 Q Okay All right Was there anybody hired
7 by you or your wife between the date of the Palmetto
8 inspection through closing to investigate any of the
9 issues that were raised in either the Palmetto
10 report or the CL-100?

11 A I will answer the first one and say, no,
12 there was not

13 Q And when you say the first one?

14 A Well, of all of it And I hope you
15 understand that the CL-100 letter I received at
16 closing That was the only thing I meant by that

17 Q Okay Well, regardless of when you
18 received it, you had the opportunity to read it,
19 didn't you?

20 A At closing

21 Q Right And you had the opportunity -- not
22 only did you read it, you signed it, didn't you?

23 A I mean --

24 Q Let's look at the document, the exhibit
25 And let's verify that is, in fact, your signature?

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THOMAS W GLADDEN

1 A What document is that?

2 Q It is Exhibit 10

3 A Okay

4 Q You will need to turn to the second page
5 which is the beginning of it The third-page
6 contains your signature, what I believe to be your
7 signature If you will confirm that for me I'd
8 appreciate it

9 A The third page?

10 Q Yes, sir?

11 A Yes, that is my signature Yes

12 Q All right And let's flip back to the
13 damage observed on the second page of that document

14 A Yes

15 Q All right And the block that you
16 checked, if you would see that section and tell me
17 which block is checked?

18 A The block that was checked was damage
19 observed, and it was Item Number C

20 Q Okay And read that into the record, if
21 you would?

22 A Will not be corrected by this company
23 Recommend that structure be thoroughly and
24 completely evaluated by qualified building expert
25 licensed and registered by the South Carolina

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THOMAS W GLADDEN

1 Department of Labor And then it goes on to talk
2 about further repairs

3 Q I notice then it goes on to --

4 A The Regulatory and Residential Builders
5 Commission and that needed repairs be made

6 Q Okay As I understand the testimony thus
7 far, after receiving this at closing, noting the
8 damages identified by Terminix in the CL-100 report,
9 you and your wife chose not to follow the advice
10 given by Terminix in Item C , is that correct, under
11 Damages?

12 A That is correct

13 Q Okay

14 A We followed the advice that the seller's
15 agent provided us

16 Q To your knowledge were there any
17 communications between your wife and Mr Roberts
18 between the date of the Palmetto inspection and
19 closing?

20 A Not that I know of

21 Q Okay It seems like you and your wife
22 have pretty good communications back and forth about
23 her keeping you in the loop about what is going on?

24 A That would be a fair statement

25 Q All right And so if there had been

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THOMAS W GLADDEN

1 contracting between service people?

2 A Does she handle all of them? That is
3 not -- not necessarily

4 Q Is she the primary person as it relates to
5 contracting for service at your house?

6 A Yes, she is

7 Q All right Does she -- to your knowledge,
8 does she read contracts before she signs them?

9 A Yes

10 Q And she -- does she just outright accept
11 every contract or does she question issues she
12 doesn't understand?

13 A Sir, I think you will find her very
14 discriminating

15 Q All right So she would -- if she had a
16 question she would raise it She would negotiate
17 with somebody on a contract?

18 A Yes

19 Q All right Now, if you would look at the
20 contract which we marked as Exhibit 24?

21 A I've still got it here

22 Q Okay I'd like you to identify for me the
23 signature at the bottom if you would

24 A The signature is my wife's

25 Q All right And the initials there, are

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THOMAS W GLADDEN

1 those your wife's as well?

2 A Those are my wife's as well

3 Q All right If you would read the section
4 that says limit of liability?

5 A It is understood and agreed that should
6 P H I S , L L C and/or its agents or employees be
7 found liable by any loss or damages result from a
8 failure to perform any of its obligations including
9 but not limited to negligence, breach of contract,
10 or otherwise the liability of P H I S , L L C
11 and/or its agent or employees shall be limited to
12 the sum equal to the amount of the fee paid by the
13 client for the inspection of the report

14 Q Okay And I understand that you and your
15 wife paid \$475 for the report, correct?

16 A Correct, sir

17 Q All right Let me show you what we'll
18 mark as 26

19 (Deposition Exhibit #26 marked for
20 identification)

21 THE WITNESS And that is a check
22 back to my wife I can understand, and I will stand
23 corrected in my earlier testimony

24 BY MR MCCUE

25 Q All right And that is a refund of the

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1 inspection fee of \$475, correct?

2 A Yes, sir

3 Q All right So under the terms of the
4 contract you would agree that Mr --

5 MR BRACKETT Objection Calls for
6 a legal conclusion The contract speaks for itself

7 MR MCCUE Yes, it does

8 BY MR MCCUE

9 Q You would agree that Palmetto Home
10 Inspections Services has tendered to you and your
11 wife an amount that is equal to the amount of the
12 fee paid by the client for this inspection and
13 report?

14 A Sir, that is what the contract says

15 Q All right And he, in fact, did that? He
16 gave you that fee back, correct?

17 A Sir, we didn't ask for that fee back

18 Q Without regard to whether you asked for it
19 or not, my question was he gave you a sum equal to
20 the amount of the fee you and your wife paid for the
21 inspection and report, correct?

22 A That is correct

23 Q All right Bear with me just a minute
24 You didn't expect Mr Roberts or his company to make
25 any of the repairs to the house, did you?

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THOMAS W GLADDEN

1 A That is correct, no

2 Q You didn't seek his advice as to -- or his
3 counsel on whether or not the repairs were performed
4 correctly, did you?

5 A No, we did not

6 Q And you didn't ask him to come back and
7 reinspect after repairs were made, did you?

8 A No, we did not

9 Q You didn't hire a structural engineer to
10 inspect the property before closing?

11 A No, we did not

12 Q Do you know what type of license
13 Mr Grecheski -- I believe that is Tom Grecheski?

14 A Grecheski

15 Q Do you know what kind of license Ski
16 Construction holds?

17 A He did not -- I did not contract with him
18 so I have no information on him

19 Q Who hired Ski Construction?

20 A It is my understanding that the seller
21 did

22 Q All right Are you or your wife related
23 to any of the other contractors or inspectors who've
24 come to the house other than your brother and your
25 brother-in-law?

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JEFFORY SCOT ROBERTS

1 Q Your age?
2 A Fifty-one
3 Q And your occupation or profession?
4 A Home inspector
5 Q What is your residence address?
6 A 707 Boykin Road in Camden
7 Q And what is your work address?
8 A The same
9 Q Same Do you work out of your home?
10 A Yes
11 Q All right You are a licensed home
12 inspector?
13 A Yes
14 Q How long have you been a licensed home
15 inspector?
16 A About five and a half years I think
17 October of this year will make six years
18 Q What did you do prior to becoming a
19 licensed home inspector?
20 A I was a maintenance manager for a textile
21 facility in Lugoff
22 Q And how long did you do that work?
23 A Four years
24 Q Prior to that what did you do?
25 A I was an electrical and I&C technician for

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 Duke Power, South Carolina Electric & Gas, different
2 utility companies

3 Q Do you know how long South Carolina has
4 required home inspectors to be licensed?

5 A No, not exactly

6 Q Did you ever do home inspections under
7 someone else's license as an employee of another
8 business?

9 A No

10 Q All right How many home inspections
11 would you say you've done over the last -- well,
12 since you've been licensed? And I'm not looking for
13 a precise number Just a ballpark?

14 A Close to 1,000

15 Q 1,000?

16 A Close to that, I would imagine

17 Q Have you ever been involved in any
18 lawsuits either as a plaintiff or a defendant?

19 A No

20 Q Describe for me, please, what a home
21 inspector does and why that's a valuable service to
22 a client

23 A We just go in and look at -- it's a visual
24 inspection of ready accessible places of the house,
25 look at all the components, the roofing, roof

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JEFFORY SCOT ROBERTS

1 penetrations, insulation values, electrical that's
2 accessible and visible, you know, the plumbing,
3 HVAC, kitchen appliances It's pretty much just an
4 overview of all the components of a house

5 Q What would be the benefit to the client of
6 hiring you instead of the client going in and
7 looking around?

8 A Experience, I guess

9 Q All right So experienced and trained
10 eyes are better than amateur eyes when you're
11 inspecting a house?

12 A I would say yes

13 Q All right Are you a member of any home
14 inspector organizations?

15 A Yes

16 Q What are they?

17 A South Carolina Association of Home
18 Inspectors

19 Q Any national organizations?

20 A No

21 Q Palmetto Home Inspection Services, that's
22 a single member LLC is that right?

23 A Yes

24 Q And you're the only member?

25 A Yes

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 Q Are there any other employees other than
2 you?

3 A No

4 Q Do you subscribe to any home inspection or
5 home inspector publications, newsletters, anything
6 like that, magazines?

7 A I get one with my -- that comes along with
8 my E&O insurance So I guess that would be yes

9 Q All right Do you know the name of the
10 publication?

11 A No

12 Q Have you ever testified in any sort of
13 proceeding, court, deposition, any other proceeding
14 as an expert witness?

15 A No

16 Q Do you understand the question? I just
17 want -- you seemed to be a little unsure

18 A Well, not as a home inspector I've been
19 a witness in something, you know, years ago that
20 doesn't have anything to do with home inspections

21 Q Okay How many times have you inspected
22 10 Hunt Cup Lane in Camden?

23 A Two times

24 Q And is it accurate that the first time you
25 inspected it was May 4, 2006?

JEFFORY SCOT ROBERTS

1 Q Did you ever have a conversation --
2 personal conversation with Ms Boykin about the
3 content of the Moody report?

4 A No

5 Q After May 4, 2006, when was the next time
6 you visited 10 Hunt Cup Lane?

7 A November of the same year

8 Q November?

9 A I mean, October

10 Q October All right Now, I want you to
11 describe for me the events leading up to the October
12 18, 2006, inspection, who called you, who hired you,
13 when it happened, those sorts of things

14 A Best I can remember, Vera called me and
15 asked me some questions about doing the home
16 inspection and I think she said she would call me
17 back And once she -- I guess she talked to
18 somebody else as well and she talked -- when she
19 called me back then we set a date and a time and I
20 went over and did the inspection

21 Q Now, when she called you did she tell you
22 that they had already made a written offer or had a
23 contract on the house?

24 A She may have Some people tell me that
25 Some people, you know, don't They just ask me when

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JEFFORY SCOT ROBERTS

1 I would be available

2 Q Did she express to you any need to have
3 this done quickly?

4 A I don't recall

5 Q Do you recall how much time past between
6 her agreeing to hire you and your actually going out
7 to the house?

8 A I can say that typically I'm hired
9 anywhere from two to four days ahead of time
10 That's the typical scenario Some, you know, call
11 and want it a week later, but the majority is
12 between two and four days

13 Q So this report -- the report you did for
14 the Gladdens was dated October 18, 2006, right?

15 A I think that's right

16 (Exhibit No 2 was marked for
17 identification)

18 BY MR BRACKETT

19 Q Exhibit No 2, is that a copy of the
20 report that you issued to Mr and Ms Gladden?

21 A Yes Appears to be

22 Q Did you visit the house actually on
23 October 18, 2006?

24 A I'm wanting to say yes That's the date
25 I've got on there and that's usually the day I do

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 the inspection on

2 Q So that's your practice to visit the
3 property and then the report would be dated as of
4 the date of the inspection?

5 A Yes

6 Q Okay Now, do you recall going to the
7 house any time between the inspection you did for
8 Mr Moody and October 18, 2006?

9 A No

10 Q Tell me what happened when you got to the
11 house on October 18 What time did you get there?
12 Who was there? Who did you talk to?

13 A I think started at 9 00 that morning
14 When I got there I think Ms Gladden and Debbie
15 Appleton were there That's all I can remember at
16 that time And I think Ms Boykin was there too

17 Q All right Did you actually speak with
18 anybody or did you just go right to work and start
19 walking through the house?

20 A I think I said something, hello, to Debbie
21 was outside and I might have been introduced to Vera
22 and then I started, but I've done so many
23 inspections I can't --

24 Q Sure How long did your walk-through
25 inspection take?

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 A I would say between four and five hours
2 I think I started at 9 00 and finished between 1 00
3 and 1 30, somewhere in there

4 Q Was Ms Gladden still there when you
5 finished?

6 A Yes

7 Q Did you have a conversation with her and
8 give her any information about your inspection?

9 A I don't really remember if we went over it
10 in detail or not at that point I think there were
11 several women there that were talking as I was
12 finishing up I really -- the answer is I don't
13 remember

14 Q Okay

15 (Exhibit No 3 was marked for
16 identification)

17 BY MR BRACKETT

18 Q Mr Roberts, I'm going to show you what
19 we've marked as Exhibit 3 to your deposition Do
20 you recognize that as being a copy of the front and
21 reverse side of your business card?

22 A Yes, it was at one time

23 Q Was that the -- was that the way your
24 business card appeared in October of 2006?

25 A I don't think so, no

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 Q All right When was the last time you
2 used this card? This was the card your lawyer has
3 produced to me

4 A Yeah, that's the one, I guess, I gave him
5 when we first met A year ago maybe Because the
6 way I can tell is where it says see back And I
7 just did the double back card probably less than a
8 year ago

9 Q All right So this would have been the
10 card you used up until roughly early '07?

11 A I would think so

12 Q So this card may have been what you were
13 using in October of '06? This would have been prior
14 to the time --

15 A I don't think so, no I don't think I had
16 that card then

17 Q All right Do you have a copy with you
18 right now of your current business card?

19 A No I sure don't

20 Q How is your current card different from
21 Exhibit 3?

22 A I think I took the mold testing off of
23 there

24 Q Is that all?

25 A Yeah, I'm pretty -- I'm pretty much -- I

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JEFFORY SCOT ROBERTS

1 think that's all

2 Q And did you --

3 A I used to have my cards made for me and
4 then I started making them myself to save money, of
5 course And then I saw where you could do a double
6 back one And I'm thinking it was about a year ago
7 the first time I bought the paper to do that

8 Q Well, again if you made your change a year
9 ago, we're talking March of 2007?

10 A Yeah

11 Q All right If you gave a card to
12 Ms Gladden in September or October of 2006, would
13 it have been the new card or the old card?

14 A I would think it would have been the old
15 card, but, you know, I can't tell you with certainty
16 that this isn't the card I gave her, but I wouldn't
17 think it is because I didn't start making my own
18 cards until fairly recently in my opinion, a year
19 ago or so

20 Q All right Now, on this card on the face
21 side you say 30 plus years experience?

22 A Yeah

23 Q Is it safe to say you think that's a good
24 thing? You think that's a positive sales point for
25 you?

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 Q All right Do you consider yourself to be
2 a professional?

3 A Yes

4 Q All right And this says -- this card
5 says you're bonded What do you mean by that? What
6 are you telling a client when you tell them you're
7 bonded?

8 A That I won't steal anything from their
9 house I don't know If something is missing, that
10 I'm liable for it, I guess

11 Q I mean, do you have -- have you purchased
12 any sort of performance bond or indemnity bond or
13 something like that where there's some protection
14 offered to the client?

15 A I don't know all those terms that you're
16 using, but a bond is part of my E&O insurance, I
17 think, up to -- I don't know the exact number, but
18 I'm thinking \$7,500 or something like that for -- I
19 guess it's for theft and -- you know, I don't know
20 all the legalities or whatever about that

21 Q And then it also says on the face of the
22 card that you are insured?

23 A Yes

24 Q All right And you do have an insurance
25 policy that covers you and your business?

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 A Yes

2 Q And do you know the -- do you know the
3 coverage amount for that policy?

4 A Well, it changes every year because it
5 gets so expensive, but I think \$300,000

6 Q All right Now, on the reverse side of
7 the card you represent yourself to have certain
8 specialties?

9 A Yeah

10 Q One of those would be residential
11 inspections?

12 A Yes

13 Q Is that still on your card today?

14 A Yes

15 Q I mean, you still consider yourself to be
16 a professional residential inspector?

17 A Yeah, that's still on there

18 Q And we've talked about -- well, you
19 mentioned the fact that on the old card you provide
20 services mold testing?

21 A Yeah

22 Q Now, why did you remove that?

23 A Because there's so many people that
24 specialize in it out there now and I never really --
25 I think I -- I think I did -- I know I did one and

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 A Yes

2 Q And it appears to be dated October 18,
3 2006?

4 A Yes

5 Q The same date you visited the property and
6 the date of your inspection report?

7 A Yes

8 Q Correct? All right Now, I want to go
9 over certain portions of this agreement with you
10 Is this a pre-printed form? Do you keep these
11 blanks somewhere in your office or under the seat of
12 your pickup truck?

13 A No I've got them saved on my computer
14 where I can print them off as I need them, I guess

15 Q All right So this is a pre-printed form,
16 fill in the blanks depending upon who your customer
17 is, right?

18 A Yeah

19 Q Or who your client is All right Do you
20 have more than one version of a contract or is this
21 it?

22 A That's it

23 Q So this contract was not drafted
24 specifically for the Gladdens, this is a standard
25 sort of contract that you pull out whenever you have

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 a new job?

2 A It's just, yeah, a generic contract that
3 everybody --

4 Q Where did you get the contract? Is this
5 something that the South Carolina Home Inspector
6 Association made up for everybody or --

7 A I got it from a guy that teaches home
8 inspection in Cary, North Carolina And he makes it
9 available to people who take his courses and what
10 have you

11 Q How long have you used this contract?

12 A Since day one Five and a half years

13 Q Okay Now, Paragraph 1 says that the
14 client is employing you or your company -- and by
15 the way, your license is in your personal name, it's
16 not in the company name isn't that right? The home
17 inspector license has to be issued to a person, not
18 to an LLC?

19 A Yeah I imagine my name is on the
20 license

21 Q This says that the client is employing
22 your LLC to perform a limited visual inspection
23 Now, do you anywhere on your contract define what is
24 meant by limited?

25 A I guess the way it's defined is readily

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JEFFORY SCOT ROBERTS

1 accessible areas

2 Q All right Does the contract anywhere
3 define what is a readily accessible area? I mean,
4 if a client is reading this and they are trying to
5 figure out what exactly am I going to get for my
6 money, does this contract really tell them anything?

7 MR COLE Object to the form

8 THE WITNESS Well, to me it does,
9 but --

10 BY MR BRACKETT

11 Q Well, you're a professional What about a
12 lay client?

13 A A readily accessible area would be an area
14 that you could enter without obstructions or having
15 to remove things or that type of --

16 Q All right Now, it says that you're going
17 to employ -- you're going to conduct your inspection
18 employing the standards of practice of the South
19 Carolina Home Inspector Licensing Board?

20 A Yeah

21 Q Now, are you aware of the fact that there
22 is no entity in South Carolina by that name? There
23 is no such thing as a South Carolina Home Inspector
24 Licensing Board

25 A Well, no I guess the answer would be no

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 include that in your written report? Is that what
2 you're telling me?

3 A It would depend on the amount of it, I
4 guess

5 Q If it's big enough for you to see and big
6 enough for you to recognize as being mold, are you
7 telling me you would not disclose that on your
8 report? Even if you say possible mold, suspected
9 mold, you wouldn't even go that far?

10 A I don't -- I've never seen it growing on a
11 wall in a house So I don't know how to answer
12 that I mentioned the one water stain on the room
13 in the master bedroom, but I didn't see any mold
14 growing on the wall

15 Q You did -- you actually had completed your
16 inspection on October 18, 2006, before Ms Gladden
17 was presented with this contract Isn't that the
18 case?

19 A I think she probably -- yeah, probably
20 signed it at the end of the inspection

21 Q So you had already done your inspection
22 and you're meeting now with Ms Gladden afterwards
23 and you then present her with this contract to sign
24 What were you going to do if she didn't sign it?
25 Were you going to say, "I'm not giving you my

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 report'?

2 A I've never -- I've never had to deal with
3 that So I don't know what the answer to that would
4 be

5 Q Well, think about it right now If that
6 were to happen, you present her with this and she
7 says, "Well, I don't like Paragraphs 2, 3, and 4,
8 and I'm not going to sign it," what are you going to
9 do?

10 A I probably would not present the report

11 Q All right Can you recall one time where
12 you've ever negotiated a change in one of your
13 pre-printed contracts, where something has been
14 added or stricken or something like that?

15 A One time I remember

16 Q Out of 1,000 inspections you can remember
17 doing that one time?

18 A One time, yeah

19 Q When was that?

20 A I don't know exactly how long ago it was,
21 but the guy was an electrical engineer That part I
22 do remember And he wanted to change something on
23 the exclusion in the electrical And I don't
24 remember exactly what he wanted changed, but he
25 wrote something in excluding something in that one

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 area

2 Q Okay All right

3 A That's the only time that I can recall
4 that ever happening

5 Q Now, when you're doing an inspection do
6 you ask the homeowner any questions about the house?

7 A The homeowner?

8 Q Yes

9 A I guess I probably have once or twice

10 Q I mean, is that --

11 A Usually I don't deal with them So I'm
12 not talking with them and normally they are not even
13 there

14 Q Okay Do you make it a part of your
15 practice to talk to any realtors who are involved in
16 the transaction, ask them what they know about the
17 house?

18 A No

19 Q Okay Now, going back to your business
20 card Why do you carry insurance?

21 A Why do I carry insurance?

22 Q Yes, sir

23 A To protect my company, I guess would be
24 the answer to that

25 Q To protect your company from what?

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 A Whatever it needs protecting of You
2 know, I -- when I did my -- you know, it's not
3 required in South Carolina to have -- unless they
4 changed it, for a home inspector to carry insurance,
5 but the guy I did my training for said that
6 everybody should carry it to protect your company

7 Q All right Now --

8 A Same as anybody else that carries
9 insurance

10 Q Now, the reason I ask that is that in your
11 contract down toward the bottom there just
12 underneath the initials there's a paragraph called
13 limit of liability that says that if you're found
14 liable for any loss or damage resulting from the
15 work, your inspection, that your damages are limited
16 to basically returning the fee that was paid to you

17 And that's the position you've taken in
18 this case, is that right? You think that if the
19 Gladdens were to get any sort of recovery against
20 you, you're only required to return the fee that she
21 paid? Is that your position?

22 A Yes, as far as I understand it

23 Q Now, if that is the case, if you think
24 that's all you're responsible for, why do you carry
25 insurance?

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 A That's a good question Because that's
2 what most home inspectors do I don't really know
3 the exact --

4 Q Okay Now, you actually -- well, let's
5 see When did you first learn that there were
6 problems with undisclosed conditions in this house?

7 MR HARLING Object to the form

8 MS GRIFFIN Object to the form

9 BY MR BRACKETT

10 Q Things that were not disclosed on your
11 inspection in your report?

12 MR HARLING Object to the form

13 THE WITNESS It was sometime in late
14 November, I think

15 BY MR BRACKETT

16 Q Who notified you of that?

17 A Vera called me on the phone

18 Q What did she say to you?

19 A Just that she was upset that they had
20 found some moisture damage in the crawl space

21 Q Anything else?

22 A That's pretty much it

23 Q And then I think either that day or the
24 very next day you drove over to her house and gave
25 her a check?

GARBER REPORTING SERVICE

JEFFORY SCOT ROBERTS

1 A Yeah

2 Q For \$475?

3 A \$475, yeah

4 MR BRACKETT Let's just go ahead
5 and mark that

6 (Exhibit No 5 was marked for
7 identification)

8 BY MR BRACKETT

9 Q I'm going to show you Exhibit 5 Is that
10 a copy of your invoice and then attached to it is a
11 copy of the check that you gave to Ms Gladden on
12 November 29 of '06?

13 A Yes

14 Q And is it your position in this lawsuit
15 that's all you're responsible for? Whether your
16 work was good or bad or somewhere in between, that's
17 all you're responsible for?

18 A Yes

19 Q If you were to walk into a house, close
20 your eyes, do a 360, write a report and everything
21 in it was wrong, it's your position all you're
22 responsible for is refund of the fee?

23 MR COLE Object to the form

24 THE WITNESS I wouldn't do that
25 That's a hypothetical question

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Lugoff-Elgin High School

Home of the Demons

Office of the Principal

Legacy of Excellence

2014 34,630

DEDUCTIONS

1. Lumber

2. H/S (H/S) -

EXTERIOR PAINT - SCRAPE, CLEAN, REPAINT

SHUTTERS - REPLACE FRONT

GUTTERS (LACK OF)

ACE & H/AE

DATED: - NO UPDATING since built [EXCEPT STAIRCASE SEAT IN KIT

- H/S (H/S) not kept up (esp KITCH)

- NO CHANGES to BR or KITCHEN

- KITCH. CABINETS ROUGH - NEED REPAIRING

(CABINETS REPLACED)

- PAINTED WALLPAPER

WATER (W/D) - DORMERS & AROUND DOOR OFF DEN TO KITCH

AVERAGE QUANTITY BUILDING MATERIALS USED

CONTRACT

20 45 (H/S) (W/D)

(H/S) (H/S) (W/D)

TERMINATE OWN LETTER / INQUIRY LETTER

N/AE LETTER

ON - FINANCE

HOME INSPECTION

1001 W 1 St St Lugoff South Carolina 29078

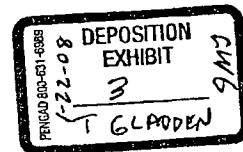
803 138 2107

SIX HOUSES
ON MARKET

ON

HUNT (H/S) LN

NOW



00495

BCR 00003

PALMETTO HOME INSPECTION SERVICES LLC
CAMDEN S C 29020 / PH 803-424-1948 FAX 803-424 0074
REAL ESTATE INSPECTION CONTRACT

PALMETTO HOME INSPECTION SERVICES LLC (PHIS LLC) is hereby employed by Client(s) to perform a limited visual inspection of apparent conditions in readily accessible areas existing at the time of inspection. General accepted professional inspection standards and methods shall be used. This home inspection is being performed in accordance with the standards of practice of the South Carolina Home Inspector Licensing Board. Absolutely no warranties or guarantees are given or implied for any latent or concealed defects. Additionally, any repairs after the inspection may reveal defects that are not accessible at the time of inspection. PHIS LLC is not liable for any defects or deficiencies which cannot be reasonably discovered during the limited visual inspection. As part of your home inspection the inspector will inspect and report on the following areas unless that area has been marked for exclusion from our services:

1. STRUCTURAL COMPONENTS including foundation, floors, walls, columns, ceilings, and roofs. Excluding _____
2. EXTERIOR OF STRUCTURE including wall cladding, entryway doors, decks, steps, caves, driveways, and a representative number of windows. Excluding _____
3. ROOFING including roof coverings, roof drainage systems, flashing, skylights, and chimneys. Excluding _____
4. PLUMBING including interior water supply and distribution systems, interior drain waste and vent systems, hot water system, and sump pump. Excluding _____
5. ELECTRICAL including service entrance conductors, main distribution panels, a representative number of installed ceiling fans, lighting fixtures, switches, and receptacles, ground fault circuit interrupters, and smoke detectors. Excluding _____
6. SYSTEM HEATING including permanently installed heating system and its controls, chimneys, heat distribution system including fans, pumps, and ducts. Excluding _____
7. CENTRAL AIR CONDITIONING including normal operating control of the central air conditioning system and the distribution system. Excluding _____
8. INTERIOR including walls, ceilings, floors, steps, a representative number of cabinets, and a representative number of doors and windows. Excluding _____
9. INSULATION AND VENTILATION including insulation, vapor barriers, ventilation of attic and foundation, kitchen and bathroom venting systems. Excluding _____
10. BUILT IN KITCHEN APPLIANCES including the observation and operation of dishwasher, range, trash compactor, garbage disposal, ventilation equipment, permanently installed oven, and microwave oven. Excluding _____

EXCLUSIONS AND LIMITATIONS The parties acknowledge and agree that this inspection is limited to visual observation of apparent conditions existing at the time of the inspection only. This inspection is not intended to provide the purchaser with information regarding the advisability of this purchase, the market value of the property, the compliance or non-compliance with codes, ordinances, and statutes, the suitability of this property for specialized uses, the life expectancy of any component or system in the property, the presence or absence of pest or insects, or cosmetic or underground items or items that are not permanently installed. Reference is specifically made to the standards of practice and the code of ethics of the South Carolina Home Inspection Licensing Board for a comprehensive listing of those items which are not required and, unless specifically included, will not be a part of this inspection.

This inspection report does not address and is not intended to address the possible presence of any danger from any potentially harmful substance and environmental hazards, including but not limited to radon gas, lead paint, asbestos, urea formaldehyde (UFFI), toxic or chemical analysis, airborne hazards, polluted water, or underground oil tanks. Further, PHIS, LLC, is not responsible for any misleading information provided by seller or for any matter concealed or hidden from the inspector.

ARBITRATION Should the client believe that PHIS, LLC, be liable for any issues arising out of this inspection, then the client shall communicate said issues in writing to PHIS, LLC, within ten (10) days of the day of inspection. If the issues cannot be resolved between the parties, both parties agree to submit the dispute to binding arbitration in accordance with the rules of the American Arbitration Association.

ACKNOWLEDGMENT This inspection is performed for the sole confidential and exclusive use and possession of the client. Neither the contents of this report nor any representation made herein are assignable without the express written permission of PHIS, LLC, and any reliance thereon by any party other than the client named is prohibited.

• VR _____
initial initial

• VR _____
initial initial

This inspection and report are not intended to be used as a guaranty or warranty expressed or implied, regarding the adequacy, performance, or condition of any inspected structure, item, or system, and any visual problems observed. Should be verified with the appropriate contractor, electrician, plumber, or skilled professional for cost estimates and code compliance.

LIMIT OF LIABILITY It is understood and agreed that should PHIS, LLC, and/or its agents or employees be found liable for any loss or damages resulting from a failure to perform any of its obligations, including but not limited to negligence, breach of contract, or otherwise, the liability of PHIS, LLC, and/or its agents or employees shall be limited to a sum equal to the amount of the fee paid by the client for this inspection and report.

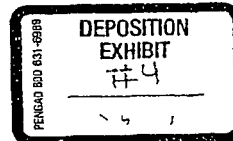
AGREEMENT This contract represents the entire agreement between Palmetto Home Inspection Services LLC and the Client. PHIS, LLC, is not responsible for the repair, replacement, or alteration of any item within or upon the inspected property. The Client acknowledges that they have read and understood the extent and limitations of this inspection and agree to all of the limitations, terms, and exclusions contained within this contract.

• Client's Signature: Vera Gauden Printed Name: VERA GAUDEN • Date: 10/18/06

• Client's Signature: _____ • Printed Name: _____ • Date: _____

Inspector: SCOT ROBERTS

Lic. se N mber: 1036





Proudly Serving the Palmetto State

PALMETTO HOME INSPECTION SERVICES, LLC
P O BOX 176 CAMDEN, SC 29020
PH 803-424-1948

INSPECTION REPORT

FOR VERA & TOMMY GLADDEN

LOCATION 10 HUNT CUP LANE CAMDEN SC 29020

DATE 10-18 06

INSPECTION # 6104

REALTOR / AGENT DEBBIE APPLETON

INSPECTOR SCOT ROBERTS / LICENSE #1036

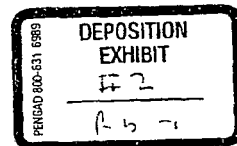
WEATHER. OVERCAST

TEMP 71 F @ 9 00 am

ROOF DESIGN HIP & GABLE

CONSTRUCTION TYPE BRICK

FOUNDATION TYPE CRAWL SPACE



PALMETTO HOME INSPECTION SERVICES LLC
707 BOYKIN RD
CAMDEN, SC 29020
PH 803 424-1948 FAX 803-424-0074

Main Inspection Report

10/18/2006

Grounds & Landscaping

Shrubbery clearances **REFER TO SUMMARY REPORT**

Walkway # 1 located Front

Brick Walkway appears acceptable

Porch located Front

Concrete Porch appears acceptable

Patio # 1 located Rear

Brick Pato appears acceptable

Stairs/Landing # 1 located Front

Brick Stairs/Landing appear acceptable

Chimney # 1 located Rear

Masonry Chimney appears acceptable

Roofing Material for Main House/Garage

Medium pitch roof with Asphalt Shingles Roof coverng appears acceptable

Roof Mounted Structures

Plumbing Vents appear acceptable

Skylights appear acceptable

Ridge Vents appear acceptable

Exterior Siding Finish is Horizontal Lap/ Wood Fiber

Siding ** REFER TO SUMMARY REPORT *

Exterior Masonry Finish is Brick with Mortar Joints

Masonry finish appears acceptable

Exterior Cornice

(Wooden) Fascia REFER TO SUMMARY REPORT

(Wooden) Eaves ** REFER TO SUMMARY REPORT **

(Continuous) Eaves vents appear acceptable

Exterior Trim

(Wooden) Window Trim ** REFER TO SUMMARY REPORT **

(Wooden) Louvered Shutters REFER TO SUMMARY REPORT **

(Wooden) Porch ceiling appears acceptable

(Wooden) Columns & Posts appear acceptable

(Metal) Rail System appears acceptable

Windows And Screens - Glazing is Insulated

Double Hung Wooden Window Extenors REFER TO SUMMARY REPORT

Solid Brick Foundation Walls (Exterior Observations)

Foundation wall appears acceptable

Under Floor Observations

No Insulation ** REFER TO SUMMARY REPORT **

1/2 Copper Water Distribution Piping appears acceptable

3 PVC Drainage Piping appears acceptable

Black Steel gas piping material appears acceptable

METAL & FLEX Ducting Material - ** REFER TO SUMMARY REPORT **

Winng installation appears acceptable

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Crawl Space Floor Type is Dirt

Access Access is located IN GARAGE Access appears to be adequate
Ventilation appears to be adequate
General Conditions of Crawl Space appear to be acceptable

Garage is 2 Car Attached

Floor Type is Concrete Flooring appears acceptable

Both Garage Doors

Door Material is Metal(Insulated) Type is Rollup Vehicle door appears acceptable
Door Opener is Chain Driven (1/2 HP) With Electronic Light safety Switch Appears acceptable

Main House Attic Area

Attic Access is Stairway Appears acceptable
Insulation Material is Fiberglass Batt. Estimated R Value is R 25 Appears acceptable
Ventilation appears adequate
Decking ** REFER TO SUMMARY REPORT **
Electrical components in attic appear to be acceptable
Duct work in attic appears to be acceptable
General conditions appear to be acceptable

Living Room

Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Receptacle Outlets Appears acceptable
Windows ** REFER TO SUMMARY REPORT **
Air Supply Appears acceptable

Den

Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Dining Room

Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting appears acceptable
Receptacle Outlets Appears acceptable
Windows ** REFER TO SUMMARY REPORT
Entry Door Appears acceptable
Air Supply Appears acceptable

Sun Room

Ceramic Tile Floor Covering appears acceptable
Wall covering appears to be acceptable

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Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
Windows Appears acceptable
Entry Door Appears acceptable
Air supply **** REFER TO SUMMARY REPORT**

FROG

Carpet Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan **** REFER TO SUMMARY REPORT ***
Receptacle Outlets Appears acceptable
Entry Door Appears acceptable
Air Supply Appears acceptable

Master Bedroom UPSTAIRS

Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle outlets *** REFER TO SUMMARY REPORT ***
Windows **REFER TO SUMMARY REPORT ****
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Bedroom #2-(UPSTAIRS-RIGHT FRONT)

Carpet Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
Windows **** REFER TO SUMMARY REPORT ***
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Bedroom #3-(UPSTAIRS-RIGHT REAR)

Carpet Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
Windows **** REFER TO SUMMARY REPORT ****
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Master Bedroom-DOWN STAIRS

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Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable.
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan appears acceptable
Receptacle Outlets Appears acceptable
Windows Appears acceptable
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable

Kitchen

Hardwood Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting/Ceiling fan ** REFER TO SUMMARY REPORT *
Receptacle Outlets Appears acceptable
Windows ** REFER TO SUMMARY REPORT **
Entry Door Appears acceptable
Pantry Appears acceptable
Air Supply Appears acceptable

Kitchen Cabinets

(PAINTED) Kitchen cabinets appear to be acceptable

Kitchen Counter Tops

(Ceramic) Kitchen counter tops ** REFER TO SUMMARY REPORT **

Kitchen Sinks (Double Sink)(Porcelain)

Kitchen sink appears acceptable
Kitchen sink faucets appear acceptable
Kitchen sink drainage appears acceptable

Kitchen Appliances

Disposal appears acceptable
(Electric) Cook top appears acceptable
(Electric) Oven is deficient. ** REFER TO SUMMARY REPORT **
Range Hood is deficient. ** REFER TO SUMMARY REPORT
Dishwasher appears acceptable

Master Bathroom-Upstairs

Ceramic Tile Floor Covering appears acceptable
Wall covering appears to be acceptable
Ceiling Material appears to be acceptable
Switched lighting Controls Overhead lighting ** REFER TO SUMMARY REPORT **
Receptacle Outlets Appears acceptable
Entry Door Appears acceptable
Closets Appears acceptable
Air Supply Appears acceptable
Toilet appears acceptable
Lavatory ** REFER TO SUMMARY REPORT **
Bathroom cabinets appear to be acceptable

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Bathroom counter tops appear to be acceptable

Whirlpool Style CAST RESIN Bathtub REFER TO SUMMARY REPORT **

TILE Shower stall appears acceptable

BATHROOM #2-(UPSTAIRS-JACK & JILL)

Ceramic Tile Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Switched lighting Controls Overhead lighting ** REFER TO SUMMARY REPORT **

Receptacle Outlets Appears acceptable

Windows ** REFER TO SUMMARY REPORT **

Entry Door Appears acceptable

Air Supply Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

Standard Style Steel Bathtub appears acceptable

TILE Shower stall appears acceptable

BATHROOM #3-(FROG)

Sheet Vinyl Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Switched lighting Controls Overhead lighting REFER TO SUMMARY REPORT **

Receptacle Outlets Appears acceptable

Entry Door Appears acceptable

Air Supply Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

Fiberglass Shower stall appears acceptable

MASTER BATHROOM #2 DOWN STAIRS

Ceramic Tile Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Switched lighting Controls Overhead lighting REFER TO SUMMARY REPORT **

Receptacle Outlets Appears acceptable

Windows Appears acceptable

Entry Door Appears acceptable

Closets Appears acceptable

Air Supply Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

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Standard Style Steel Bathtub appears acceptable

TILE Shower stall appears acceptable

1/2 BATHROOM-DOWN STAIRS KITCHEN AREA

Hardwood Floor Covering appears acceptable

Wall covering appears to be acceptable

Ceiling Material appears to be acceptable

Switched lighting Controls Overhead lighting * REFER TO SUMMARY REPORT

Receptacle Outlets Appears acceptable

Windows Appears acceptable

Entry Door Appears acceptable

Toilet appears acceptable

Lavatory appears acceptable

Bathroom cabinets appear to be acceptable

Bathroom counter tops appear to be acceptable

Masonry Fireplace located in Den

Damper appears acceptable

Mortar Joints appear acceptable

Hearth ** REFER TO SUMMARY REPORT

Mantel appears acceptable

Gas Water Heater STATE 40000 BTUs Located Garage

50 Gallon Capacity water heater appears to be acceptable

All associated Plumbing and Piping appear to be acceptable

1 GAS PACKAGE UNIT FOR DOWN STAIRS HEIL 3 5 tons & 90-k BTUs Located OUTSIDE ON LEFT

Service switch appears to be acceptable

Filters appear to be acceptable

Thermostats appear to be functional

2 GAS FURNANCE GE 60-K BTUs Located Attic

Filters appear to be acceptable

Thermostats appear to be functional

Overall Operation appears to be within normal limits

Air Conditioning Unit # 1 HEIL 3 Ton Unit. Condensing Unit located Left side of House

-Air conditioning unit **REFER TO SUMMARY REPORT **

Plumbing Main Service Main Cutoff Valve located FRONT YARD

Supply Line is 3/4" PVC Water service line appears acceptable

Main Electrical Service 120/240 volt, 200 Amp 4/0 Aluminum Wiring

UNDERGROUND Electrical service appears acceptable

Main Service Panel located in DEN-CLOSET (Breakers) appears acceptable

Electric Meter located Left Side Electric Meter & Grounding Electrode (Copper) appears acceptable

Branch Circuits

120 volt 20 amp circuits (Copper Conductors) appear acceptable

240 volt, 30 amp circuits (Copper Conductors) appear acceptable

240 volt, 40 amp circuits (Copper Conductors) appear acceptable

240 volt, 50 amp circuits (Copper Conductors) appear acceptable

240 volt, 20 & 100 amp circuits (Aluminum and Copper Conductors) appear acceptable

Electrical Sub Panels

*****INSPECTION SUMMARY REPORT*****

10 HUNT CUP LANE CAMDEN SC 29020

EXTERIOR

ROOF (a) RECOMMEND INSTALLING FLASHINGS OR EXTENDING THE SHINGLES TO COVER THE OPEN AREAS OF THE FASCIA OF THE RETURNS (SEE EXAMPLE PHOTO #3)

CORNICE (a) THERE IS A SMALL AREA OF WATER DAMAGE (DECAY) ON THE SOFFIT ON THE RIGHT SIDE OF THE CHIMNEY

(b) IT APPEARS THAT A SQUIRREL HAS CHEWED ON THE BOTTOM OF THE FASCIA (DENTAL MOLD) ON THE FRONT ABOVE THE MASTER BEDROOM

(c) THERE ARE A COUPLE SMALL BEE HOLES IN THE WOODEN FASCIA ON THE REAR OF THE HOUSE

WINDOWS (a) SOME OF THE WOODEN WINDOW SHUTTERS HAVE DECAY PRESENT AND SOME HAVE MISSING LOUVERS

(b) THE LEFT REAR PATIO AND THE LEFT FRONT WINDOW SCREENS ARE TORN

(c) A SMALL AREA OF WATER DAMAGE (DECAY) IS PRESENT AT THE BOTTOM OF THE STATIONARY WINDOW ABOVE THE FRONT PORCH

DOORS (a) SURFACE RUST IS PRESENT AT THE BOTTOM OF THE RIGHT REAR METAL DOORS THE WEATHER STRIPPING IS DETERIORATING AROUND THESE DOORS

(b) SMALL AMOUNTS OF DECAY ARE PRESENT AT THE BOTTOM OF THE BRICK MOLD AND DOOR JAMBS ON THE RIGHT REAR DOORS (SEE PHOTO #2)

SIDING (a) THERE ARE SMALL AMOUNTS OF DECAY PRESENT AT THE BOTTOM ON THE DORMER SIDING BOARDS AND DORMER CORNER TRIM BOARDS (SEE PHOTO #1)

GENERAL (a) RECOMMEND CUTTING THE SHRUBBERY BACK FROM THE STRUCTURE

(b) THE PAINT IS PEELING FROM THE EXTERIOR TRIM WORK IN SEVERAL AREAS

(c) THE CLOTHES DRYER DUCT NEEDS CLEANING

GARAGE (a) THE GLOBE IS MISSING FROM ONE OF THE LIGHT FIXTURES

(b) THE FRONT WINDOW PANE IS CRACKED

(c) THERE IS A SMALL STAIN ON THE CEILING WHERE THE FROG BATHROOM DRAIN PENETRATES THE CEILING

ATTIC AREA

SHEATHING (a) THE SHEATHING IS DAMAGED IN TWO SMALL AREAS OF THE MAIN ATTIC (SEE PHOTO #5) ONE AREA IS ABOVE THE SOFFIT ON THE RIGHT SIDE OF THE SKY LIGHT AND ONE AREA IS IN THE MIDDLE ON THE LEFT SIDE

(b) THE AREAS WHERE THE ROOF VENTS WERE REMOVED (SEE PHOTO #6) NEED TO HAVE BRACING INSTALLED BETWEEN THE RAFTERS TO SUPPORT THESE AREAS ONE AREA IS ABOVE THE DOWN STAIRS MASTER BEDROOM, AND THE OTHER IS TOWARDS THE REAR OF THE MAIN ATTIC ON THE LEFT SIDE

(c) THERE ARE SEVERAL WATER STAINS ON THE SHEATHING THROUGHOUT THE ATTIC AREA. THESE STAINS APPEAR TO BE FROM THE PAST

ELECTRICAL (a) THE SWITCH PLATE COVER IS MISSING

GENERAL (a) THE SCREEN IS LOOSE ON THE LEFT SIDE ROOF EXHAUST FAN

(b) THE AREA ABOVE THE FROG WAS NOT ACCESSIBLE DUE TO PERSONAL ITEMS BLOCKING THE ACCESS

GENERAL INTERIOR (a) THE GAS SEALS ARE BROKEN ON SEVERAL OF THE WINDOWS THROUGHOUT THE HOME GIVING THEM A FOGGED UP APPEARANCE. THE UPSTAIRS WINDOWS SOME OF THE SUNROOM WINDOWS LIVING ROOM WINDOWS AND KITCHEN WINDOWS APPEAR FOGGED-UP

(b) THE GLOBE IS MISSING FROM THE LIGHT FIXTURE IN THE STAIRCASE FROM THE KITCHEN

(c) SOME OF THE GROUT IS MISSING FROM THE FIREPLACE HEARTH

(d) THE HARDWOOD FLOORING SQUEAKS IN SOME AREA. THIS IS TYPICAL IN AN OLDER HOME.

MASTER BEDROOM (UPSTAIRS) (a) THERE IS A WATER STAIN AROUND THE RECEPTACLE UNDERNEATH THE LEFT SIDE WINDOW

BEDROOM #2 (UPSTAIRS RIGHT FRONT) (a) THE LEFT SIDE WINDOW WILL NOT SUPPORT ITSELF WHEN OPENED

MASTER BATHROOM (UPSTAIRS) (a) THE AIR SWITCH BUTTON IS MISSING FROM THE WHIRLPOOL TUB THE TUB MOTOR COULD NOT BE OPERATED

(b) THE EXHAUST FAN IS MAKING NOISE.

(c) THERE IS A COSMETIC SETTLEMENT CRACK IN THE SHEETROCK CEILING BELOW THE SKYLIGHT

(d) THERE ARE SMALL SURFACE CRACKS IN THE BOTTOM OF THE RIGHT SIDE SINK

UPSTAIRS JACK & JILL BATHROOM (a) THE AREA BETWEEN THE TOP OF THE TUB AND THE WALL TILES NEEDS TO BE RE CAULKED

(b) THE WATER PROOF LIGHT FIXTURE GLOBE IS MISSING ABOVE THE SHOWER STALL

BATHROOM #3/FROG (a) THE LIGHT FIXTURE ABOVE THE SHOWER DOES NOT APPEAR TO BE A WET LOCATION TYPE FIXTURE IT APPEARS TO BE A RECESSED FIXTURE WITH A FLOOD LIGHT BULB
(b) THERE IS NO DOOR STOP AND THERE IS A VERY SMALL HOLE IN THE SHEETROCK WALL BEHIND THE DOOR.
(c) THE SHEETROCK TAPE IS SEPARATING ABOVE THE SHOWER STALL.

MASTER BATHROOM (DOWN STAIRS) (a) THE EXHAUST FAN IS MAKING NOISE.
(b) THERE IS A SMALL AMOUNT OF WATER HAMMER PRESENT WHEN THE VALVES ARE SUDDENLY TURNED OFF

/ BATHROOM (KITCHEN AREA) (a) THE EXHAUST FAN IS MAKING NOISE

FROG (a) A LIGHT BULB IS BROKEN OFF INSIDE ONE OF THE RECESSED LIGHT FIXTURES

KITCHEN (a) THE RANGE HOOD IS MAKING NOISE
(b) COULD NOT CHECK THE OVEN BELOW THE STOVE TOP IT IS FULL OF PERSONAL ITEMS
(c) THE DEN SIDE CEILING FAN WOBBLES ON HIGH SPEED
(d) TWO OF THE FLORESCENT LIGHT FIXTURES ARE NOT ENERGIZING (BULB?)
(e) A COUPLE OF THE COUNTER TOP TILES ARE CRACKED
(f) THE LIGHT INSIDE THE STAND ALONE OVEN DID NOT RESPOND (BULB?).

WATER HEATER (a) IT IS RECOMMENDED TO PIPE THE T&P VALVE TO THE EXTERIOR.

HVAC UNIT(s) (a) RECOMMEND SEALING THE DUCT AND GAS LINE AT THE FOUNDATION WALL PENETRATION (SEE PHOTO #4)

CRAWL SPACE (a) THERE IS NO INSULATION UNDERNEATH THE FLOOR. THIS IS TYPICAL OF A HOME THIS AGE.
(b) THE DUCT WORK IS DISCONNECTED FROM THE FRONT FLOOR REGISTER IN THE SUNROOM
(c) A SMALL SECTION OF THE DUCT INSULATION IS TORN BACK FROM THE DUCT WORK UNDERNEATH THE MASTER BATHROOM AND THE KITCHEN
(d) THE CLOTHES DRYER DUCT IS MADE OF VINYL MATERIAL. RECOMMEND CHANGING TO AN UPDATED TYPE MATERIAL.
(e) THE CONDENSATE LINE FOR THE ATTIC AREA AIR HANDLER IS PIPED INTO THE CRAWL SPACE ALONG THE LEFT SIDE DEN WALL. THE CONDENSATE LINE NEEDS TO BE PIPED TO THE EXTERIOR.
(f) SOME AREAS WERE NOT ACCESSIBLE BECAUSE OF LOW CLEARANCES OF THE DUCT WORK AND PLUMBING PIPES. THE AREAS UNDERNEATH THE DOWN BEDROOM AND THE SUNROOM WERE NOT FULLY ACCESSIBLE

POOL HOUSE

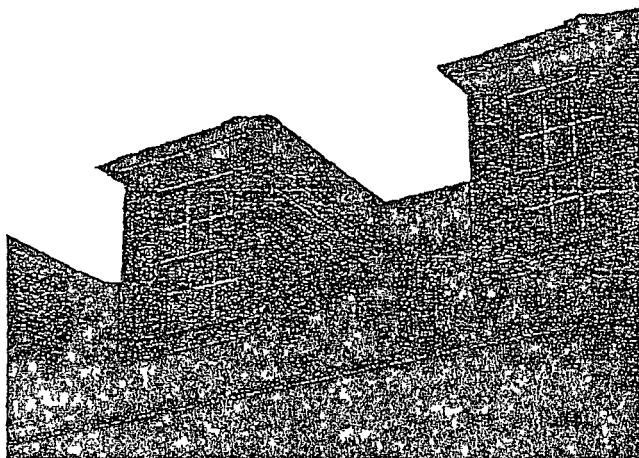
ELECTRICAL (a) SEVERAL RECEPTACLE COVERS AND SWITCH PLATES ARE MISSING COVERS
(b) THE 30amp SINGLE POLE BREAKER ON THE RIGHT SIDE HAS A #12 WIRE ATTACHED TO IT #12 WIRE IS ONLY RATED FOR 20amps
(c) RECOMMEND CHANGING THE TWO SINGLE POLE 20amp BREAKERS ON THE LEFT SIDE (THAT ARE USED TO FORM A 240v CIRCUIT) WITH A DOUBLE POLE 20amp MOLDED CASE BREAKER.
(d) THE SPARE WIRES INSIDE THE PANEL NEEDS TO BE CAPPED OFF
(e) THERE IS NO BUSHING (ROMEX CONNECTOR) ON THE SUPPLY WIRE OF THE WATER HEATER.
ATTIC (a) THERE ARE WATER STAINS ON THE SHEATHING IN THE ATTIC AREA. THESE STAINS APPEAR TO BE FROM THE PAST AND THE WOOD APPEARS SOLID IN THIS AREA.
BATHROOM (a) THE BATHROOM CABINET IS DAMAGED (DECAYED AT BOTTOM)
(b) THE WALL AREA BEHIND THE TOILET IS INCOMPLETE
(c) THE OVERHEAD LIGHT FIXTURE DID NOT RESPOND (BULB?)
(d) THE EXHAUST FAN IS MAKING NOISE
GENERAL (a) SOME OF THE VINYL FLOOR TILES ARE LOOSE.
(b) THE WATER HEATER WAS NOT FULLY ACCESSIBLE.

ALWAYS USE LICENSED CONTRACTORS FOR REPAIRS

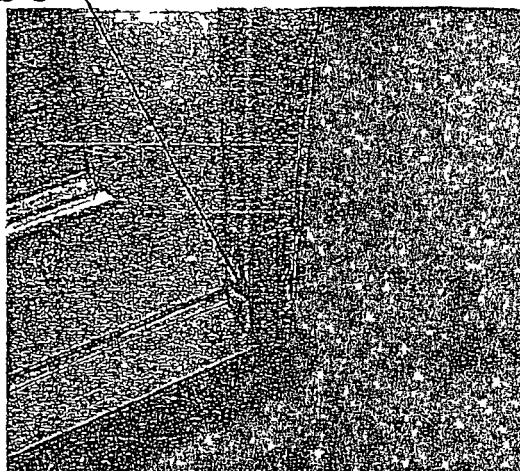
ITEMS NOT MENTIONED IN THIS REPORT WERE NOT INSPECTED

NOTE IF THE HOME INSPECTED IS FURNISHED ALL WALLS, FLOORS, WINDOWS, RECEPTACLES, ETC. WILL NOT BE ACCESSIBLE.

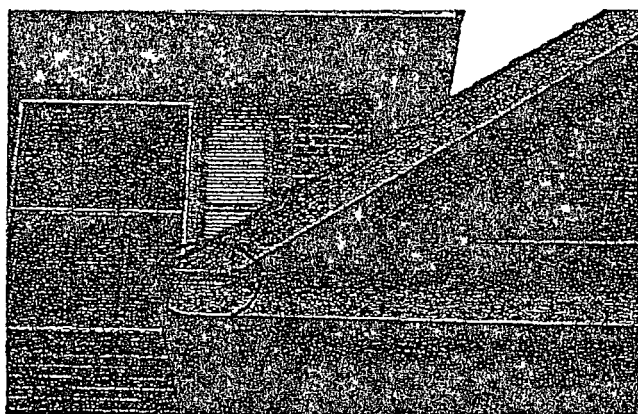
PHOTOS \



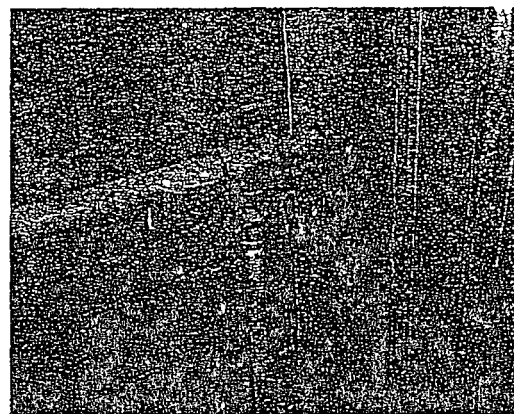
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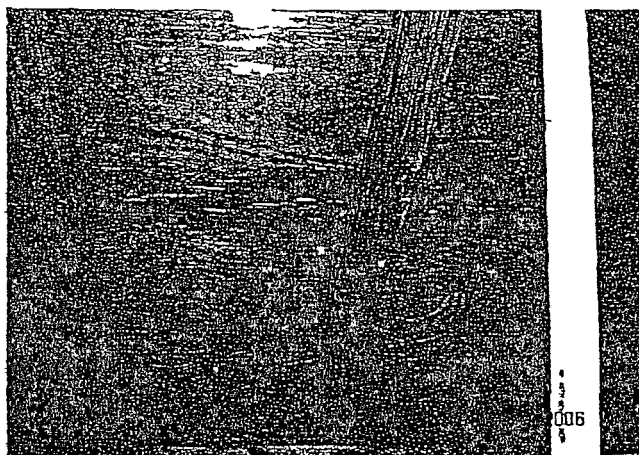
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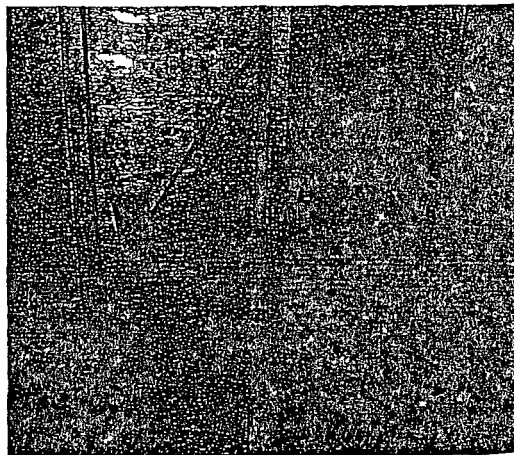
#3



#4



#5



#6

//

* Inspection - See Moody
6045

INSPECTION CHECK LIST

MAIN WATER CUT OFF LOC. _____ CURRENT WEATHER _____ CURRENT TEMP 71
DRIVEWAY LOCATION & MATERIAL _____ WALKWAY LOCATION & MATERIAL _____
PORCH RAIL MAT'L _____ PORCH COLUMNS MAT'L _____ PORCH STAIRS MAT'L _____
PORCH LANDING MAT'L _____ DECK LOCATION _____ DECK MAT'L _____
PATIO LOCATION _____ PATIO MAT'L _____ F/P CHIMNEY LOC & MAT'L _____
FLASHING _____ MAIN ROOF STYLE _____ PITCH _____ TYPE MAT'L (ASPH) or _____
PLUMBING VENTS _____ ROOF VENTS _____ RIDGE VENTS _____ GABLE VENT MAT'L _____
SKY LIGHTS _____ GUTTER MAT'L (ALU / PLASTIC) _____
SIDING STYLE _____ MAT'L _____ (BRICK HOME) MASONRY BRICK / BLOCK / STUCCO
FOUNDATION MAT'L BRICK / BLOCK FASCIA (ALU) (WOOD) EAVES (VINYL) (WOOD) EAVES VENT SIZE _____
WINDOW TRIM _____ SHUTTERS PP / W / P LU WINDOW STYLE _____ MAT'L _____
SINGLE PANE INSULATED STORM/SASH SCREENS MISSING PRESENT

RECOMMEND CUTTING BACK SHRUBBERY, VINES, & OVERHANGING TREE LIMBS FROM STRUCTURE

1 couple small bare holes in rear fasc

Pool House - moss on shingles
need to cap off w res - in outside boxes & install blank care
& repair & switch covers missing

new doors installed

GARAGE CARPORT
1-CAR 2-CAR 3-CAR ATTACHED DETACHED
FLOOR COND GOOD BAD ELECTRICAL GOOD BAD GARAGE DOOR WOOD METAL OTHER
ROLL UP TILT UP OTHER INSULATED NON INSULATED OPENER BELT DRIVE CHAIN DRIVE SCREW DRIVE
/ hp 1/3 HP / HP / HP ELECTRONIC LIGHT BEAM PRESSURE SWITCH NONE
START DISHWASHER

Pool
House

ATTIC
RAFTERS 16" OC OR 24" OC (STICK BUILT / TRUSS) PLYWOOD CLIPS GOOD / BAD
ACCESS FULL DOWN STAIRS SCUTTLE HOLE STAIRWAY
INSULATION FIBERGLASS CELLULOSE ROCKWOOL BATT BLOWN R 19 OR 25/R 30
INSULATION COND GOOD BAD VENTILATION GOOD BAD DECKING GOOD BAD
ELECTRICAL GOOD BAD DUCT WORK GOOD BAD GENERAL COND GOOD BAD
POWERED ATTIC VENTILATORS ROOF GABLE GOOD BAD BATH EXHAUST FANS

Several water stains in main damage

(2)

MASTER BEDROOM UP DOWN
FLOORING CEILING WALLS WINDOW OPERATION SCREENS
ENTRY DOOR CLOSET DOOR LIGHT SWITCHES CONTROL (OH / CF / RECEPT)
RECEPTACLES SMOKE DETECTOR GOOD BAD NONE AIR SUPPLY GOOD BAD

Exhaust fan markings house - to hot area

BEDROOM #2 UP DOWN
FLOORING CEILING WALLS WINDOW OPERATION SCREENS
ENTRY DOOR CLOSET DOOR LIGHT SWITCHES CONTROL (OH / CF / RECEPT)
RECEPTACLES SMOKE DETECTOR GOOD BAD NONE AIR SUPPLY GOOD BAD

BEDROOM #3 UP DOWN
FLOORING CEILING WALLS WINDOW OPERATION SCREENS
ENTRY DOOR CLOSET DOOR LIGHT SWITCHES CONTROL (OH / CF / RECEPT)
RECEPTACLES SMOKE DETECTOR GOOD BAD NONE AIR SUPPLY GOOD BAD

BEDROOM #4 UP DOWN
FLOORING CEILING WALLS WINDOW OPERATION SCREENS
ENTRY DOOR CLOSET DOOR LIGHT SWITCHES CONTROL (OH / CF / RECEPT)
RECEPTACLES SMOKE DETECTOR GOOD BAD NONE AIR SUPPLY GOOD BAD

MASTER BATH UP ___ DOWN ___

FLOORING ___ CEILING ___ WALLS ___ WINDOW OPERATION ___

ENTRY DOOR ___ CLOSET DOOR ___ LIGHT SWITCH CONTROLS (OH / CF)

GFI RECPT GOOD ___ BAD ___ SHOWER PRESS & FIXTURES GOOD ___ BAD ___

SHOWER STALL COND ___ SHOWER MAT'L (TILE / FIBERGLASS / CAST RESIN / PLASTIC PANELS)

BATH TUB WATER PRESSURE ___ FIXTURES COND ___ BATH TUB COND ___

BATH TUB STYLE STANDARD ___ WHIRLPOOL ___ GARDEN ___ DRAINAGE ___ TUB STOP ___

BATH TUB MAT'L (FIBERGLASS / STEEL / CAST RESIN) TOILET COND ___ FLUSH ___ SINK PRESSURE ___

DRAINAGE ___ FIXTURES ___ STOPS ___ CABINETS ___ COUNTER TOPS ___ AIR SUPPLY ___

*Master
Down*

BATH #2 UP ___ DOWN ___

FLOORING ___ CEILING ___ WALLS ___ WINDOW OPERATION ___ SCREENS ___

ENTRY DOOR ___ CLOSET DOOR ___ LIGHT SWITCH CONTROLS (OH / CF)

GFI-RECPT GOOD ___ BAD ___ SHOWER PRESSURE & FIXTURES GOOD ___ BAD ___

SHOWER STALL COND ___ SHOWER MAT'L (TILE / FIBERGLASS / CAST RESIN / PLASTIC PANELS)

BATH TUB WATER PRESSURE ___ FIXTURES COND ___ BATH TUB COND ___

BATH TUB STYLE STANDARD ___ WHIRLPOOL ___ GARDEN ___ DRAINAGE ___ TUB STOP ___

BATH TUB MAT'L (FIBERGLASS / STEEL / CAST RESIN) TOILET COND ___ FLUSH ___ SINK PRESSURE ___

DRAINAGE ___ FIXTURES ___ STOPS ___ CABINETS ___ COUNTER TOPS ___ AIR SUPPLY ___

** Water hammer in tub when
suddenly turn is off water (Any)*

Pool House
Water off

V+Tiles

BATH#3 UP__DOWN__

FLOORING__CEILING__WALLS__WINDOW OPERATION__SCREENS__

ENTRY DOOR__CLOSET DOOR__LIGHT SWITCH CONTROLS (OH / CF)

GFI RECEPT GOOD__BAD__SHOWER PRESSURE & FIXTURES GOOD__BAD__

SHOWER STALL COND__SHOWER MAT L. (TILE (FIBERGLASS) / CAST RESIN / PLASTIC PANELS)

BATH TUB WATER PRESSURE__FIXTURES COND__BATH TUB COND__

BATH TUB STYLE STANDARD__WHIRLPOOL__GARDEN__DRAINAGE__TUB STOP__

BATH TUB MAT L. (FIBERGLASS / STEEL / CAST RESIN) TOILET COND__FLUSH__

SINK PRESSURE__DRAINAGE__

FIXTURES__STOPS__CABINETS__HARDWARE__COUNTER TOPS__AIR SUPPLY__

Over head light no response - 2 fan makes noise
Wall behind toilet incomplete at bottom
Bottom of sink cab - decayed.
Not GFI

4 BATH UP__DOWN__

FLOORING__CEILING__WALLS__WINDOW OPERATION__SCREENS__

ENTRY DOOR__CLOSET DOOR__LIGHT SWITCH CONTROLS (OH / CF)

GFI RECEPT GOOD__BAD__SINK COND__FIXTURES__STOPS__

WATER PRESSURE__DRAINAGE__CABINET COND__HARDWARE__

TOILET COND__FLUSH__AIR SUPPLY__

4 BATH UP__DOWN__

FLOORING__CEILING__WALLS__WINDOW OPERATION__SCREENS__

ENTRY DOOR__CLOSET DOOR__LIGHT SWITCH CONTROLS (OH / CF)

GFI RECEPT GOOD__BAD__SINK COND__FIXTURES__STOPS__

WATER PRESSURE__DRAINAGE__CABINET COND__HARDWARE__

TOILET COND__FLUSH__AIR SUPPLY__

LAUNDRY TUB SINGLE__DOUBLE__MAT L. SS__PORCELAIN__CAST IRON__FIBERGLASS__

FAUCETS GOOD__BAD__DRAINAGE GOOD__BAD__

WET BAR SINKS SINGLE__DOUBLE__MAT L. SS__PORCELAIN__CAST IRON__FAUCETS GOOD__BAD__

FLOORING _____ CEILING _____ WALLS _____ WINDOW OPERATION _____
ENTRY DOOR _____ CLOSET DOOR _____ LIGHT SWITCH CONTROLS (OH / CF / RECEPT) _____
RECP.T. _____ SMOKE DETECTORS GOOD _____ BAD _____ NONE _____ AIR SUPPLY _____

FLOORING _____ CEILING _____ WALLS _____ WINDOW OPERATION _____
ENTRY DOOR _____ CLOSET DOOR _____ LIGHT SWITCH CONTROLS (OH / CF / RECEPT) _____
RECEPT _____ SMOKE DETECTORS GOOD _____ BAD _____ NONE _____ AIR SUPPLY _____

FLOORING _____ CEILING _____ WALLS _____ WINDOW OPERATION _____
ENTRY DOOR _____ CLOSET DOOR _____ LIGHT SWITCH CONTROLS (OH / CF / RECEPT) _____
RECEPT _____ SMOKE DETECTORS GOOD _BAD _NONE _AIR SUPPLY _____

FLOORING _____ CEILING _____ WALLS _____ WINDOW OPERATION _____
ENTRY DOOR _____ CLOSET DOOR _____ LIGHT SWITCH CONTROLS (OH / CF / RECEPT) _____
RECEPT _____ SMOKE DETECTORS GOOD _____ BAD _____ NONE _____ AIR SUPPLY _____

FLOORING CEILING WALLS WINDOW OPERATION
ENTRY DOOR CLOSET DOOR LIGHT SWITCH CONTROLS (OH/CF/RECEPT)
RECEPT/ SMOKE DETECTORS GOOD BAD NONE AIR SUPPLY

FLOORING _____ CEILING _____ WALLS _____ WINDOW OPERATION _____
ENTRY DOOR _____ CLOSET DOOR _____ LIGHT SWITCH CONTROLS (OH / CF / RECEPT) _____
RECP.T. _____ SMOKE DETECTORS GOOD BAD NONE AIR SUPPLY _____

FLOORING _____ CEILING _____ WALLS _____ WINDOW OPERATION _____
ENTRY DOOR _____ CLOSET DOOR _____ LIGHT SWITCH CONTROLS (OH / CF / RECEPT) _____
RECEPT _____ SMOKE DETECTORS GOOD _____ BAD _____ NONE _____ AIR SUPPLY _____

FIREPLACE #2 LOCATION TYPE MASONRY / PRE FAB WOOD BURNING (OR) GAS LOGS
FIRE BRICKS MORTAR JOINTS HEARTH ASH DUMP MANTEL DAMPER

Pool House

Vinyl Tiles

KITCHEN

X

FLOORING _____ CEILING _____ WALLS _____ WINDOW OPERATION _____ ENTRY DOOR _____
LIGHT SWITCH (ON / OFF) _____ GFI RECEPT GOOD / BAD _____ SMOKE DETECTOR _____
CABINETS (BIRCH) (OAK) (PINE) (PAINTED) _____ ITEMS CHECKED (DOORS / HINGES / SHELVES) _____
COUNTER TOP MAT'L (L. LAM / TILE / CAST R / CORIANE) _____ DELAMINATION / WEAR / CAULKING / GROUTING _____
SINK SINGLE _____ DOUBLE _____ OTHER _____ MAT'L (EN) PORCELAIN OTHER Cast Resin
SINK COND GOOD / BAD _____ FAUCETS GOOD / BAD _____ DRAINAGE _____
DISPOSAL GOOD / BAD / NONE _____ COOKTOP GAS / ELECT _____ GOOD / BAD _____
OVEN GAS / ELECT _____ GOOD / BAD _____ MICRO GOOD / BAD _____ RANGE HOOD VENT GOOD / BAD _____
DISHWASHER GOOD / BAD _____ AIR SUPPLY _____

& couple vinyl Tiles cracked
& front sliding doors stuck

Water off

WATER HEATERS

pool House

(GAS / ELECT) _____ BRAND _____ LOCATION _____ CAPACITY _____ BTU S _____ WATTS (4,500 / 3,380) _____
PLUMBING GOOD / BAD _____ WIRING GOOD / BAD _____ T&P VALE GOOD / BAD _____ FRESH AIR VENT / GAS WATER HEATER
YES / NO _____

& no accessible
& not pped no Bushing on wine

MECHANICAL

HEATING & COOLING: GAS PACK / GAS / ELECTRIC PACKAGE / HP-SPLIT BRAND NAME _____ LOCATION _____
BTU S _____ TONS _____ T-STAT _____ FILTERS GOOD / BAD _____ SERVICE SWITCH GOOD / BAD _____

HEATING & COOLING: GAS-PACK / GAS / ELECTRIC PACKAGE / HP-SPLIT / BRAND NAME _____ LOCATION _____
TONS _____ BTU S _____ T-STAT & CONTROLS _____ FILTERS GOOD / BAD _____
CONDENSATE LINE _____ CONDENSATE PAN _____ FLOAT SWITCH _____ SERVICE SWITCH GOOD / BAD _____

ELECTRICAL

UNDER GROUND ___ OVERHEAD ___ METER BASE GOOD ___ BAD ___ LOCATION _____
 GROUNDING CABLE (GOOD/ BAD) (NOT VISIBLE) (NONE) COPPER ___ IRON ___ VOLTAGE (120V / 120/240V)
 SERVICE CONDUCTOR TYPE COPPER ___ ALUMINUM ___ SIZE 1/0- 2/0- 3/0 4/0 _____
 MAIN BREAKER SIZE 100AMPS ___ 150AMPS ___ 200AMPS ___ 225AMPS ___ 250AMPS ___ NONE
 SERVICE PANEL LOCATION _____ BREAKERS _____ FUSES _____
 BRANCH CIRCUITS COPPER ___ ALU ___ MIXED ___ OUT DOOR RECPT GTI YES ___ NO ___
 OUT DOOR LIGHTING GOOD ___ BAD ___
 SINGLE POLE 15a ___ (c/a) 20a ___ (c/a) 30a ___ (c/a)
 D POLE 20a ___ (c) 25 ___ (c) 30a ___ (c) 40 ___ (c/a) 50 ___ (c/a) 60 ___ (c) 70a ___ (c/a) 90 ___ (c/a) 100 ___ (c)

Pool House
 SUB-PANEL #1, LOCATION _____ FEEDER (ALU / COPPER) SIZE _____ MAIN BKR SIZE _____
 S. POLE 15amp ___ (a/c) 20amps ___ (a/c) 30amps ___ (a/c)
 D POLE 20amps ___ (a/c) 30A ___ (a/c) 40A ___ (a/c) 50A ___ (a/c) 60A ___ (a/c) 70A ___ (a/c) 90A ___ (a/c) 100A ___ (a/c)

Pool House
 SUB-PANEL #2, LOCATION _____ FEEDER (ALU / COPPER) SIZE _____ MAIN BKR SIZE _____
 S. POLE 15amp ___ (a/c) 20amp ___ (a/c) 30amp ___ (a/c)

D POLE 20a ___ (a/c) 25a ___ (a/c) 30a ___ (a/c) 40a ___ (a/c) 50a ___ (a/c) 60a ___ (a/c) 70a ___ (a/c) 90a ___ (a/c) 100 ___ (a/c)

*#12 on SP 30a R/S at bottom of 2 sps 4/5 used as
 2000 off spares - 1/2 some breaker*

CRAWL SPACE LOCATION _____ INSULATION NONE ___ R/19 ___

WATER SUPPLY PIPE (COPPER / PVC / CPVC / GAL / POLYBUTYLENE) WATER SUPPLY Y ___ / ___ 1 ___

DRAINAGE PIPE. PVC ___ CAST ___ GAL ___ DRAINAGE 2" ___ 3" ___ 4 ___ INCOMING WATER LINE _____

GAS PIPE MAT'L (GALVANIZED / BLK STEEL / STAINLESS / COPPER) DUCT MAT'L METAL ___ FLEX ___

FLOOR TYPE ___ VENTILATION ___ ELECT ___ SIGNS OF WATER (YES / NO) SUMP PUMP (YES / NO)

Condensate came from A/C unit into



STATE OF SOUTH CAROLINA
RESIDENTIAL PROPERTY CONDITION DISCLOSURE STATEMENT

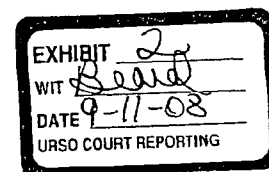
INSTRUCTIONS TO PROPERTY OWNERS

- 1 South Carolina Code of Laws Title 27 Chapter 50 Article 1 requires that beginning January 1 2003, an owner of residential real estate (single-family homes and buildings with up to four dwelling units) shall provide to a purchaser this property condition disclosure statement which must be completed prior to signing a contract of sale. This disclosure statement must be provided in connection with the sale, exchange, option and sale under a lease with an option to purchase. This disclosure statement is not required for some transactions including the first sale of a dwelling which has never been inhabited. A complete list of exemptions may be found in Section 27-50-30.
- 2 You must check one of the boxes for each of the 24 questions on pages 2 and 3 of this form.
 - a If you check "Yes" for any question you must explain the problem or attach a descriptive report from an engineer, contractor, pest control operator or other expert or public agency. If you attach a report you will not be liable for any inaccurate or incomplete information contained in the report as long as you were not grossly negligent in obtaining or transmitting the information.
 - b If you check "No" for any question you are stating that you have no actual knowledge of any problem. If you check "No" and you know there is a problem you may be liable for making an intentional misrepresentation.
 - c If you check "No Representation" for any question you are stating that you are making no representation regarding the conditions or characteristics of the property but you may have a duty to disclose even if you know or should have known of them. Please consult with an attorney to determine any potential liability you may have for checking this answer.
 - d If you check "Yes" or "No" for any question and subsequently something happens to the property to render your statement incorrect or inaccurate (for example, the roof begins to leak) you must promptly provide the purchaser a corrected statement or you may correct the problem.
- 3 If you are assisted in the sale of your property by a licensed real estate broker or salesperson, you remain solely responsible for completing and delivering this statement to the purchaser. The broker or salesperson must disclose any material facts about your property which he/she knows or reasonably should know regardless of your responses on this statement. You are to complete this form yourself and answer all questions truthfully and as fully as possible. By signing below you acknowledge that the failure to disclose known material information about the property may result in liability.
- 4 You must provide the completed statement to the purchaser prior to the time you and the purchaser sign a contract to purchase your property or as otherwise agreed to in the contract. You should provide the purchaser a copy of this statement containing your signature and keep a copy signed by the purchaser for your records.

Initials _____
Rev 1/03
Form # 112

Seller on 10 Date _____ Buyer 10/13/06 Date 10/13/06

Page 1 of 4



8

AS SELLER OF THE PROPERTY HEREIN IDENTIFIED, DO YOU HAVE KNOWLEDGE OF ANY PROBLEM (MALFUNCTION OR DEFECT) WITH ANY OF THE FOLLOWING

	Yes*	No	No Representation
1 Foundation, slab, fireplaces/chimneys, floors, windows (including storm windows and screens) doors, ceilings, interior and exterior walls, attached garage, patio, deck or other structural components including any modifications? a Siding masonry ___ wood ___ composition/hardwood ___ vinyl ___ synthetic stucco ___ <u>All Brick</u> b Approximate age of structure <u>22 yr</u>	☐	☒	☐
2 Roof (leakage or other problem)? a Approximate age of roof covering <u>new</u>	☐	☒	☐
3 Water seepage, leakage, dampness or standing water or water intrusion from any source in any area of the structure?	☐	☒	☐
4 Electrical system (outlets wiring, panel switches fixtures etc)?	☐	☒	☐
5 Plumbing system (pipes, fixtures water heater etc)?	☐	☒	☐
6 Heating and/or air conditioning <u>(new furnace replaced due to fault)</u> a Heat source furnace ___ heat pump ___ baseboard ___ <u>gas</u> b Cooling source central ___ wall/window unit(s) ___ c Fuel source electricity ___ natural gas ___ propane ___ oil ___ d Approximate age of heating unit ___ /cooling unit <u>new in log (1991)</u>	☐	☒	☐
7 Water supply (including water quality, quantity and water pressure) a water supply is city/county ___ community system ___ private well ___ b water pipes are copper ___ galvanized ___ PVC/CPVC ___ polybutelene ___	☒	☒	☐
8 Septic system? a Type system septic tank ___ community system ___ connected to city/county system ___ city/county system available ___ b Does the system require a pump? Yes ___ No <u>2</u> <u>times</u> c Has the septic system been serviced/pumped during your ownership?	☐	☐	☐
9 Appliances (range/oven attached microwave, hood/fan, dishwasher disposal, etc)?	☐	☒	☐
10 Present infestation, or damage WHICH HAS NOT BEEN REPAIRED from past infestation of wood destroying insects or organisms? a Is there a transferable termite bond? Yes ___ No <u>1 termite</u>	☐	☒	☐
11 Drainage, grading or stability of soil or retaining structure?	☐	☒	☐
12 Other built-in systems and fixtures? central vacuum ___ pool ___ hot tub ___ spa ___ attic fan ___ exhaust fan ___ ceiling fan ___ sump pump ___ irrigation system ___ cable tv wiring or satellite dish ___ security system ___ or other systems ___	☐	☒	☐

Initials EME Seller 9/16 Date 10/18/06 Buyer 10/18/06 Date

Page 2 of 4

REGARDING THE PROPERTY HEREIN IDENTIFIED, INCLUDING ALL IMPROVEMENTS, AND FIXTURES LOCATED THEREON, DO YOU HAVE ANY KNOWLEDGE OF ANY

	Yes*	No	No Representation
13 Room additions or other structural changes?	☐	☒	☐
14 Environmental hazards (substances, materials or products) including asbestos, formaldehyde, radon gas, methane gas, lead-based paint, underground storage tank, toxic mold or other hazardous or toxic material (whether buried or covered) contaminated soil or water or other environmental contamination?	☐	☒	☐
15 Nuisances (noise, odor smoke, etc) affecting the property?	☐	☒	☐
16 Previous damage caused by fire?	☐	☒	☐
17 Violations or variances of building codes or zoning ordinances?	☐	☒	☐
18 Restrictions to property use? (covenants or deed)	☒	☐	☐
19 Utility or other easements, shared driveways, party walls or encroachments from or on adjacent property?	☐	☒	☐
20 Lawsuits foreclosures bankruptcy tenancies judgments tax or other liens, proposed assessments or notice from any governmental agency that could affect title to the property?	☐	☒	☐
21 Owners association fees or common area expenses or assessments?	☐	☒	☐
22 Flood hazards or that the property is in a federally-designated flood plain?	☐	☒	☐
23 Rental, rental management, vacation rental or other lease contracts in place on the property at the time of closing?	☐	☒	☐
24 Any outstanding charges owed by the tenant for gas, electric, water, sewerage, or garbage services provided to the property?	☐	☒	☐

***IF YOU ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS, PLEASE USE THE FOLLOWING SPACE FOR YOUR EXPLANATION AND ATTACH ANY AVAILABLE PROFESSIONAL REPORTS**

Initials SM Seller 9/16/03 Date 1/1/04 Buyer 10/1/04 Date

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Property Address 10 Hunt Circle

Owner's Name(s) Olivia M. Boykin

Owner Signature ✓ [Signature] Date 9/16/06

Owner Signature _____ Date _____

Purchaser(s) acknowledge receipt of a copy of this disclosure statement; that he/she has examined it before signing, that he/she understands that this is not a warranty by owner or owner's agent; that it is not a substitute for any inspections he/she may wish to obtain, and that the representations are made by the owner and not the owner's agent(s) or subagent(s). Purchaser(s) are encouraged to obtain his/her own inspection by a licensed home inspector or other professional.

Purchaser Signature John H. Haskins Date: 12/18/06

Purchaser Signature _____ Date _____

Page 4 of 4

HOME INSPECTION REPAIRS REQUEST

Inspection date: 10-18-06

For address: 10 Hunt Cup Lane, Camden S.C. 29020, the following items from the home inspection are requested to be repaired or replaced as directed on the home inspection report.

✓ 1. Repair or Replace pump on irrigation

2. Exterior Roof - A - repair (photo #3)

✓ Cornice - A - repair, B - repair

3. Windows - A - repair

✓ C - repair

✓ 4. Doors - B - repair (photo #2)

✓ 5. Siding - A - repair (photo #1) new wood/no paint

Purchaser: Conroy M. Hadden
Witness: Debra J. Appleton

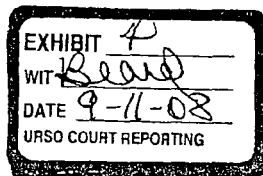
Date: 20 Oct 06
Date: 10-20-06

Purchaser: Van A. Hadden
Witness: Debra J. Appleton

Date: Oct 20, '06
Date: 10-20-06

Seller: William M. Boykin
Witness: King Beale

Date: 10-24-06
Date: 10-24-06



ADDITIONAL ITEMS

For: 10 Hunt Cup Lane, Camden S.C. 29020

6. ✓ Garage - B - repair / front window (pane) cracked
7. Attic - A - repair stain
8. (sheathing) B - repair (Roof vents were removed and replaced)
9. General Interior - A - repair (windows) (not connected)
10. ✓ Master Bath (upstairs) A - repair Air switch button missing from wall #5
11. ✓ Kitchen - D - repair 2 outlets not working Bulbs
12. ✓ Water Heater - A repair pipe tap to interior
13. HVAC - A - repair (photo of) Sagging duct on gas line at combustion unit
14. ✓ Crawl Sp. - B - repair ductwork present from repair
15. ✓ Pool House: Baby bath condensation line needs to be pumped out
16. ✓ Electrical - B, C, D, E - repair
17. \$3,000 to apply towards #103 windows & pump
- 18.

OMB
10-24-06

Initialed:

Purchaser:

Date:

Seller:

Date:

OMB 10-24-06

Palmetto Home Inspection Services, LLC

SCOT ROBERTS
707 Boykin Rd
Camden SC 29020

Phone 803-424-1948
Email homininspect@charter.net

Invoice

Bill To VERA GLADDEN

*** PLEASE SIGN, INITIAL, AND DATE BESIDE THE (5)
ASTERISKS ON THE CONTRACT AND MAIL
BACK TO ME AS SOON AS POSSIBLE.
FAX # (803) 424-0074**

*** SEND PAYMENT TO
SCOT ROBERTS
707 BOYKIN RD
CAMDEN, SC 29020**

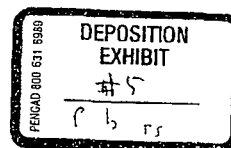
*** PAYMENT IS DUE ON DATE OF INSPECTION
THANK YOU!**

Invoice Date 10-18-06

Quantity	Description	Cost
	HOME INSPECTION @ 10 HUNT CUP LANE CAMDEN SC 29020	\$440 00
	HOME 20 TO 40 YEARS OLD + \$35 00	\$35 00
	HOME 40 YEARS OR OLDER + \$45 00	-
	WELL WATER TEST + \$85 00	-
	SEPTIC TEST W/LETTER + \$75 00	-
Refunded Payment 11-29-06		
		Balance Due \$475 00

Refunded
Payment
on 11-29-06

PAYMENT DUE UPON RECEIPT



Thank You For Your Business!

PALMETTO HOME INSPECTION SERVICES LLC
SERVING THE MIDLANDS OF S C



SCOT ROBERTS

OFFICE # 803-424-1948 CELL# 803 243-2354

scotroberts@truvista.net

30+ YEARS EXP

LICENSED BONDED-INSURED
LICENSE #1036

(SEE BACK)

SPECIALTIES

RESIDENTIAL & COMMERCIAL INSPECTIONS
NEW CONSTRUCTION INSPECTIONS

HISTORICAL HOMES

OTHER SERVICES

SEPTIC TESTING W/LETTER

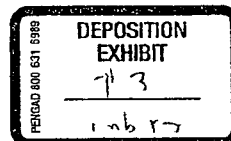
WELL WATER TESTING

MOLD TESTING

EXPERIENCE

30+ YEARS CONSTRUCTION & MAINTENANCE EXP

SERVING THE ENTIRE MIDLANDS OF S C



2/5/07

FRANCIS E HASKINS, JR

1435 DEER WALK CT

THE PLEASANT, SC 29466

BS CIVIL ENGINEERING 1984

22 YEARS AS CONSTRUCTION MANAGER

CURRENTLY WORKING AS A SENIOR PROJECT

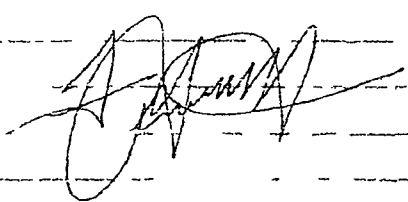
MANAGER FOR A GAS CONTRACTOR

THE ATTACHED IS MY WRITTEN ASSESSMENT

~~AND~~ AND ESTIMATES FOR REPAIRS TO

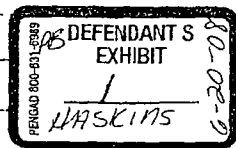
CONSTRUCTION PROBLEMS @ GLADEN'S

RESIDENCE @ 10 HUNT CYP LANE



ENCLOSURE : ONE DVD OF FULL RECORDING

OUTSIDE INSIDE, AND CRAWL SPACE



00329

V

①

GLADDEN RESIDENCE 10 HUNT CUP LANE

EXTERIOR REVIEW:

A. DORMERS @ FRONT

- FLASHING MISSING, EXISTING FLASHING ON ONE DORMER DAMAGED
- SHINGLES APPEAR NOT TO HAVE ADEQUATE # OF NAILS PER SHINGLE
- SIGNS OF ROT, ONE PLACE PATCHED & PAINTED
- DORMERS NEED TO BE STRIPPED DOWN STUDS ✓ & FRAMING, FLASHING, TRIMMED & PAINTED

ESTIMATE: (NO WINDOWS) \$ 5055⁰⁰

B. ALL WINDOWS FOGGED OVER AND OBVIOUSLY THE SEAL HAS DETERIORATED. WOULD RECOMMEND REPLACING ALL WINDOWS

ESTIMATE:

\$25K TO \$30K

(DEPENDS IF ROT IS FOUND WHEN THEY ARE CUT OUT)

00330

(2)

EXTERIOR REVIEW CONT'D

C GABLE ENDS FAR - FRONT OF HOUSE

- FOUR PLACES AT EACH END (BOTH) OF GABLE
SHINGLES AND FLASHING DO NOT EXTEND
ALL THE WAY TO THE END OF FRAMING / SHEET
RIP BACK SHINGLES, REMOVE WOOD, FLASH
PROPERLY REPLACE WOOD & PAINT

ESTIMATE (ALL FOUR PLACES) \$ 1980⁰⁰

- ALSO AT SAME LOCATIONS YOU HAVE DAMAGE
FROM SQUARDS

ESTIMATE \$ 520⁰⁰

- ### D. SHUTTERS
- PREDOMINANTLY ALL SHUTTERS ARE ROTTEN &
NEED TO BE REPLACES SOME 4x4 ON GRAND
IN ORDER TO MATCH SUGGEST ALL REPLACED,
INSTALLED/PAINTED

ESTIMATE: \$ 1140 / EA (39) \$ 5460⁰⁰

00331

3

EXTERIOR REPAIR CONT'D

E BRICK PATIOS

- MORTAR JOINTS DETERIORATED W/ OPEN JOINTS ALLOWING SUBGRADE TO TAKE ON RAIN AND ALL WATER COMING OFF OF ROOF. BAD MORTAR JOINTS TO BE REMOVED POINTED, PATCHED AFTER ENTIRE AREA IS PRESSURE WASHED. SEAL ALL W/ CLEAR CONCRETE/MASONRY SEALER.

ESTIMATE

\$ 4080⁰⁰

- ### F. HVAC UNIT SHEET METAL NEEDS TO BE SECURED TO BRICK WALL AND OPEN HOLE THRU MASONRY SEALED PROPERLY & PERIMETER CAULKED

ESTIMATE

\$ 80⁰⁰

G MASONRY WALL (MASTER BEDROOM)

- MORTAR JOINTS AT UPSTAIRS WINDOW COMPLETELY OPEN TO RAIN. HEAD JOINT X 1" TO 1 1/2" WIDE COMPLETELY OPEN, SOME JOINTS AT SILL OF WINDOW HAS OPEN CRACKS WITH WHAT APPEARED TO BE A WHITE LATEX CAULK SMEARED ON IT. THE JOINTS ARE STILL OPEN

00332

(4)

EXTERIOR REVIEW CONT'D

THE EXTERIOR WALL IN THE BEDROOM HAS ACTIVE
MOLD GROWING. THE ENTIRE MASONRY WALL
ON THIS END OF THE HOUSE NEEDS TO BE
PRESSURE WASHED AND ALL MORTAR JOINTS
INSPECTED, CHASED IF NECESSARY AND
POINTED AND PAINTED.

ESTIMATE

\$3578⁰⁰

H. GUTTERS NEED TO BE INSTALLED EVERYWHERE
RAIN WATER IS DUMPING ON PATIOS AT
CLUB⁰⁰ DOORWAYS AND AT MAIN ENTRANCE TO HOUSE

ESTIMATE

\$7.00 TO 8.50/LF

DID NOT MEASURE

(LOOKS DS)

AT 185 LF @ 7.25

\$1395⁰⁰

I WATER LINE RIPPING EXTENDED (POP OFF VALVE) TO
EXTERIOR & DAMAGED ELECTRICAL CONDUIT
TO HVAC UNIT LEAVING ELECTRICAL WIRING
EXPOSED REPAIR CONDUIT AND INSTALL 90°
FITTING ON DRAIN LINE TO DIRECT WATER AWAY FROM
ELECTRICAL LINE

ESTIMATE

\$50⁰⁰

00333

INTERIOR REVIEW: ①

(5)

A. WOOD FLOORING THROUGHOUT IS LOOSE, POPPING AND CRACKING. SUBFLOOR IS $5/8$ " SHEATHING NOT $3/4$ " T&G. APPEARS THAT NO UNDERLAYMENT (FELT, ETC) WAS INSTALLED UNDER WOOD FLOORING; ALSO FROM MAIL PATTERNS EXTENDING THRU SUBFLOOR VISIBLE FROM UNDER NEATH ITS QUESTIONABLE IF ENOUGH FASTENERS WERE USED. THIS COULD BE ^{POSSIBLY} DETERMINED AS A LATENT DEFECT. MY OPINION IS TO REMOVE ALL $3/4$ " x $2 3/8$ " WOOD FLOORING AND REWORK SHEATHING & REINSTATE

B. MASTER BEDROOM EXTERIOR WALL HAS ACTIVE MOLD GROWING AROUND WINDOW (EVEN BEHIND WALL COVERING); AROUND TWO RECEPTACLES; SPOT OVER BED IN CENTER OF WALL CONCERNED THAT ENTIRE EXTERIOR WALL HAS MOLD GROWING INSIDE RE THIS IS THE MASONRY WALL NOTED WITH OPEN MORTAR JOINTS. SUGGEST HAVING AN ABATEMENT PERFORMED BY ENVIRONMENTAL FIRM

00334

⑥

INTERIOR REVIEW CONT'D ②

C FOLLOW UP TO MOLD ISSUE - SEVERAL OTHER
AREAS NOTED 1) BATHROOM @ FROG (SHEETROCK
ACTUALLY LOOSE W/ MOLD SPORES BEHIND
SHEETROCK TAPE THAT WAS COME LOOSE 2)
LINEN CLOSET @ MASTER BATH IN WALL AND
BACK SIDE OF DOOR STAMPS COVERED IN MOLD

D ATTIC

1. SKYLIGHT - OPEN JOINT FROM MUD/TAPE
FAILURE (OPEN HOLE TO BATHROOM BEDRM)
ALSO ROT/DETERIORATION @ TOP PERIMETER
OF SKYLIGHT - WOULD HAVE TO STRIP
& REFLASH -

ESTIMATE

\$ 841

2 ON BOTH SIDES OF THE SKYLIGHT CHASE
~ 3 RAFTERS OVER ON EAST SIDE THERE
ARE AREAS OF ROTTEN ROOF SHEATHING, THE
ONE ON THE RIGHT OF THE CHASE IS LARGE ENOUGH
TO SPAN OVER ONE RAFTER ON THE LEFT ITS
BETWEEN RAFTERS. VERY CONFINED SPACE
WILL HAVE TO COME FROM TOP

00335

INTERIOR REVIEW CONT'D ③

⑦

ESTIMATE

\$ 2491⁰⁰

3. PERIMETER OF FIRE PLACE: LEAKS IN FLA Room

Coming From THIS AREA - ROOF SHEETING STOPPED
AT 3" SHORT ON RIGHT SIDE & 1" ON LEFT AND

APPEARS TO HAVE NO FLASHING INSTALLED

IT LOOKS LIKE THE UNDERSIDE OF THE SHALES

ALSO FORGOT TO NOTE FROM OUTSIDE COPPER

FLASHING IS EXTEND ON ROOF LINE W/ OPENINGS

WHERE BLINDING RAIN COULD PENETRATE

ESTIMATE

546⁰⁰

4 BRACING WHERE VENTS REMOVED - WHATS IN

PLACE IN MY OPINION IS P.D.E.V.L. MEMBERS

THE SAME SIZE AS RAFTERS NEED TO BE

CUT, PLACED ON EDGE (NOT FACE) AND PROPERLY

NAILED BACK INTO EXISTING RAFTERS.

FEST

405⁰⁰

00336

8

5 MORE NOTES ON DORMERS FROM ATTIC

- FLASHING DAMAGED WHEN INSTALLED

OPEN HOLES NOTED TO EXTERIOR

MASONITE TYPE SINKING NEEDS TO BE

REMOVED FOR A ~~BETTER~~ MORE ACCURATE

INSPECTION REPLACE TW/PLYWOOD

EST.

\$ 1016⁰⁰

6

WATER DAMAGE TO ROOF SHEATHING EXHAUST
FAN AND RIDGE LINES

CLWD

NOTED ONE AREA EXHAUST FAN ~~IS~~ THE SIZE

OF A SAUCER AND OTHER AREAS APPEAR

TO BE OLD WATER DAMAGE FROM TO HOUSE

BENH RE-INTEGRATED SUGGEST CUTTING 3/4" PLYWOOD

TO COVER AREAS FULLY ~~AND~~ ADHERED WITH

2X NAILERS AROUND PERIMETER NAIL TO

TO RAFTERS

ESTIMATE

\$ 811⁰⁰

00337

CRANK SPACE ①

⑨

1. FRONT ENTRANCE REPAIRS TO SILL APPEAR MARGINALLY
ADEQUATE. 2ND BEAM ON PIER ON LEFT
AND LESS ON RIGHT. IN MY OPINION THIS
WORK IS OK BUT NOT AS I WOULD HAVE
REPAIRED IT. THERE ARE TWO FLOOR JACKS
W/ 4'X4' SILL IN PLACE SUPPORTING FLOOR JOISTS

2. BACK DOOR @ LAUNDRY ROOM

SOMEONE SCABBED A PIECE OF PLYWOOD OVER
ONE SECTION OF SUBFLOOR W/ 2X4'S ON TWO
SIDES SUPPORTING IT. JUST TO THE LEFT OF THIS
THERE IS MORE ROTTEN SUBFLOOR, JOISTS
AND SILLS. THE REPAIR CURRENTLY IN PLACE
IN MY OPINION IS FAR FROM ADEQUATE.

THE BACK DOOR JAMBS ARE ROTTEN AS WELL.

SUGGEST PULLING DOOR, TAKING HP FLOORING

RELOCATING CABINET, CUT OUT ~~AND~~ ROTTEN

SILLS, SHEATHING AND REPAIR ~~AND~~ / REPLACE ALL

ESTIMATE

\$ 5174

00338

PAWL SPACE CONT'D ②

10

3. AREA AT SIDE DOOR @ DEN:

NO VISIBLE REPAIRS - SUGGEST SAME
PROCEDURE AS AT LAUNDRY AREA (ONE DOOR)
AREA 1/2 TH OF SIDE TWICE AS LAUNDRY

EST - \$ 10,348⁰⁰

4. BEDROOM DOOR & SILL - AGAIN SAME
SITUATION AS 2/3 AREA - 1/3 SILL
REPAIR PROCEDURE WOULD BE SAME
INCLUDES TWO (2) DOORS

ESTIMATE

\$ 6,899⁰⁰

OR ONE DOOR < 1,500⁰⁰ >

< 1,500 >

\$ 5,399⁰⁰

00339

Two UPSTAIRS BEDROOMS w/OUT HARDWOOD.

Demd CARPET PAD TACK STRIPS & INSTALL

FINISH $\frac{3}{4}$ " x $2\frac{3}{8}$ " OAK FLOORING

2400 SL

ESTIMATE

6835-702

00340

911 L Lytleton St
Camden SC 29020
F8037 437-7362

Termite

INVOICE

Location 1-51-0 2 022
Number 06 991359
Date 10/31/06

Olivia Boykin
10 Runt Cup Ln
Camden SC 29020

Account # 440185
Customer # 5199457

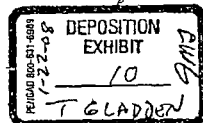
Professional Inspection and Wood Infestation
Service (WHIP or WHIP-2)

125.00

Payment received

-125.00

Olivia Boykin
10 Runt Cup Ln
Camden SC 29020



1. Vex-Ma. Ins. Agent American Express, Discover
2. Sears-Roebuck Sears Premier-Sears Starter Card
3. The Home Depot Order Enrichment

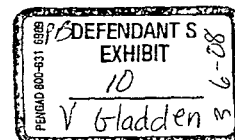
Card _____
Expiration Date _____

Termite Service, Inc.
911 L Lytleton St
Camden SC 29020

00296

Termite
W/O# 6000991359
Acct# 440185
Balance 0.00

Term Service, Inc. is deposited at bank as the used to serve
Sut. Carol. enter 1 4 Car 1 4 CSRA Georg. by Th. Firm International Company L.P.



THIS REPORT VALID FOR 45 DAYS ONLY. THIS REPORT MAY NOT BE USED IN A REAL ESTATE CLOSING AFTER 45 DAYS. THIS REPORT IS NOT TO BE CONSTRUED AS A GUARANTEE, OR WARRANTY AGAINST FUTURE INFESTATION OR DAMAGE. IT IS RECOMMENDED BY THE DEPARTMENT OF PESTICIDE REGULATION, REGULATORY AND PUBLIC SERVICE PROGRAMS, AND THE SOUTH CAROLINA PEST CONTROL ASSOCIATION THAT THE PURCHASER OF A STRUCTURE, RATHER THAN THE SELLER, OBTAIN THIS WOOD INFESTATION REPORT.

Date October 30, 2006

File No. _____

This is to report that a qualified inspector employed by the below named firm has carefully inspected readily accessible areas, including attics and crawl spaces which per-
 ently of the property located at the above address for termite, other wood-destroying insects, and fungi. The inspection for fungal and fungi damage commonly called "rot"
 damaged wood, rot or decay is limited to the area below the first main floor of the structure as defined by DPRPN-198. This report specifically excludes hidden areas and not
 not readily accessible and the undersigned pest control operator disclaims that he has made any inspection of such hidden areas or of such areas not readily accessible.

The inspection described has been made on the basis of visible evidence, and special attention was given to those accessible areas which experience has shown to be particularly susceptible to attack by wood-destroying insects. Probing and/or sounding of those areas and other visible and accessible wood members showing evidence of infestation was performed. This report is submitted without warranty, guarantee, or representation, as to concealed evidence of infestation damage or as to future infestation.

If there is evidence of any infestation or pest infestation of termites and/or wood-destroying insects or fungi, it must be assumed that there is some damage to the building caused by this infestation, however any visible damage to a wood member in accessible areas has been reported. The below-named firm's inspectors are engineers or builders and you may wish to call a qualified engineer or expert in the building trade to provide their opinion as to whether there is structural damage to the property.

LOCATION, I AND DESCRIPTION OF PROPERTY INSPECTED: 10 Hunt Cup Lane Camden SC 29020

TYPE OF TRANSACTION FHA ☐ VA ☐ CONVENTIONAL ☒ LOAN ASSUMPTION ☐ CASH SALE ☐

IF ANY OF THE FOLLOWING ITEMS ARE MARKED YES DESCRIBE ON REVERSE

WERE ANY AREAS OF THE PROPERTY OBSERVED OR INACCESSIBLE?

- INFESTATION
- | | | |
|--|-------------------------------------|-------------------------------------|
| 1. There is visible evidence of active (A) subterranean termites | ☐ | ☒ |
| (B) other wood-destroying insects | ☐ | ☒ |
| 2. There is visible evidence of previous infestation of (A) subterranean termites | ☐ | ☒ |
| (B) other wood-destroying insects | ☐ | ☒ |
| 3. There is visible evidence of prior subterranean termite treatment | ☒ | ☐ |
| 4. There is evidence below the first main floor of the presence of (A) active wood-destroying fungi (wood moisture content 28% or above) | ☐ | ☒ |
| (B) wood-destroying fungi is present but not active (less than 28% moisture content) | ☐ | ☒ |
| 5. There is evidence of the presence of excess moisture conditions below the first main floor (20% or above wood moisture content, standing water, etc.) | ☐ | ☒ |

DAMAGE. Termites, other wood-destroying insects and fungi (Note: reporting of fungal damage to wood, commonly called water damage, decay or rot, is limited to the area below the first main floor of the structure as defined by DPRPN 198)

- At the time of our inspection, there were visibly damaged wooden members (e.g., insect damage to columns, sills, joists, plates, door jambs, headers, eaves, chimneys, porches, or fungi damage below the first main floor) ☒ ☐
 If the answer is "YES" specify causes and location(s) on back.

DAMAGE OBSERVED (IF ANY)

- A. Will be or has been corrected by this company ☐
 B. Will be or has been corrected by another company (see attached contract) ☐
 C. Will not be corrected by this company; recommend that structure be thoroughly and completely evaluated by a qualified building expert licensed or registered with the S.C. Department of Labor Licensing and Regulation Residential Builder's Commission and that needed repairs be made ☒
 D. In our opinion there is insufficient visible damage to recommend repair (Explanation on the reverse side why repair was not recommended.) ☐

TREATMENT

1. The property described was treated by us for the prevention or control of Subterranean Termites February 15, 1992 ☒
 (date of treatment)
 A waiver has been issued and is attached to this form ☐
 The present treatment warranty will expire on _____ by the owner ☐
 and may be renewed initially at \$ _____
 2. The property described has not been treated by us and is not now under contract with our firm ☐

SEE OTHER SIDE OF THIS REPORT FOR ADDITIONAL CONDITIONS GOVERNING THIS REPORT

CL - 03 Approved by the South Carolina Pest Control Association, Inc., and the Division of Regulatory and Public Service Programs of Clemson University
 Revised 4/99 - Supercedes earlier versions.
 S-105 045-01/10M/PP1

(OVER)

00297

This report is based on the observations and opinions of our inspector. It must be noted that all buildings have some wood members which are not visible or accessible for inspection. It is not always possible to determine the presence of infestation without extensive probing and some cases actual dismantling of parts of the structure being inspected.

All inspections and reports will be made on the basis of what is visible and we will not render opinions covering areas that are enclosed not readily accessible areas of finished rooms, areas concealed by wall coverings, floor coverings, insulation, furniture, equipment, stored articles or any portion of the structure in which inspection would necessitate tearing out or marring finished work. We do not move furniture, appliances, equipment, etc. Plumbing leaks may not be apparent at the time of inspection. If evidence of such leaks is disclosed, liability for the correction of such leaks is specifically denied. No opinion can be rendered as to infestation or damage on that portion of sheathing, siding, or other susceptible material which continues below soil grade.

The areas of the substructure and attic that are accessible and open for inspection have been inspected. The substructure is defined as that portion of the building below the first main floor living space.

Detached garages, sheds, barns, fences or other buildings on the property are not included in this inspection report unless specifically noted.

The company upon specific request and agreement as to additional charge will open any inaccessible, concealed or enclosed area and inspect same and make a report thereon.

REMARKS

THIS SPACE IS TO BE USED TO DETAIL ANY "YES" ANSWERS FROM THE FRONT OF THIS FORM. INCLUDE ITEM NUMBER WITH EACH EXPLANATION. CLARIFICATION AND EXPLANATION OF OTHER ITEMS MAY ALSO BE INCLUDED.

This property was not inspected for the presence of health related molds or fungi. The inspection was conducted solely for visible evidence of wood destroying organisms and their damage and was limited to the visible and accessible areas of the structure(s). Only inspection for wood destroying fungi was limited to the level below the first main floor. We are not qualified to and do not render an opinion concerning mold related air quality or any other health issues relating to this structure. Questions concerning the presence or absence of health related molds or fungi or other health related issues, which may be associated with this property should be addressed by a properly trained Industrial Hygienist, Physician or the Public Health Official.

Areas of the structure that were inaccessible or obstructed were -

Portion of structural timbers due to subfloor wall and floor coverings and items in the living space

3) Drill holes in the piers indicate prior termite treatment

At the time of our inspection we found water damage to portions of the sill subfloor and floor joists near the dirt filled porch in the front the brick patio in the back, and under the laundry room. There was also some water damage to the roof decking under the exhaust fan and some places where the roof changed angles.

Please see the Remarks on the pages which are attached to and a part of this Report, unless it is marked here that there are no additional pages.

Additional pages ☐ Yes ☒ No

Neither I nor the company for which I am acting have had, presently have, or contemplate having any interest in this property. I do further state that neither I nor the company for which I am acting is associated in any way with any party to this transaction.

LICENSE NUMBER OF PERSON SIGNING THIS REPORT

C0014123
(MUST BE CERTIFIED IN CATEGORY 7A)

BUSINESS LICENSE NUMBER B0002051

FIRM TERMINIX SERVICE INC.

BY [Signature]
ADDRESS 911 Ivyton Street Camden NJ 08020
OF FIRM Terminix Service Inc
Matt Flynn

ACKNOWLEDGEMENT PURCHASER ACKNOWLEDGES THAT A COPY OF THIS REPORT HAS BEEN REVIEWED AND RECEIVED

11/22/96

DATE ACKNOWLEDGED

[Signature]
PURCHASER'S SIGNATURE

00298

STATE OF SOUTH CAROLINA

IN THE COURT OF APPEALS

APPEAL FROM KERSHAW COUNTY
COURT OF COMMON PLEAS

J MICHELLE CHILDS, CIRCUIT COURT JUDGE

Case No 2007-CP-28-0288

Thomas W Gladden and
Vera H Gladden

Appellants,

v

Olivia M Boykin, Elizabeth A Beard,
Deborah Appleton, Bob Capes Realty, Inc ,
Russell & Jeffcoat Realtors, Inc , and
Palmetto Home Inspection Services, LLC,

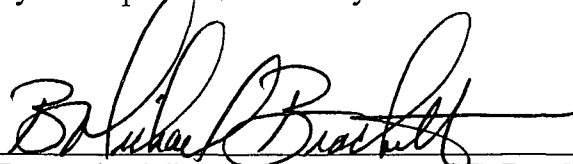
Defendants,

of whom Palmetto Home Inspection Services, LLC is

Respondent

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that the Amended Record on Appeal contains all
material proposed to be included by any of the parties and not any other material



B Michael Brackett, Esquire - SC Bar No 838
Moses Koon & Brackett, PC
1333 Main Street, Suite 650
Post Office Box 100261
Columbia, South Carolina 29202-3261
(803) 461-2312
Attorney for Appellants

July 27, 2011