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SC Court of Appeals

**STATE OF SOUTH CAROLINA
IN THE COURT OF APPEALS**

APPEAL FROM ANDERSON COUNTY
Court of Common Pleas
R. Lawton McIntosh, Circuit Court Judge

Case No.: 2022-CP-04-02359
Appellate Case No: 2024-001368

Casey Putnam and Arch Harrell

Appellants,

vs.

**Jamie Marie McAdams, individually,
And as (successor) Personal Representative
Of the Estate of Robin C. Winter, deceased,
And as Personal Representative of the Estate
Of Scott F. McAdams, deceased; Dustin
Winter TeBrugge; Greta Marie McAdams,
And Tracy Christine McAdams**

Respondent.

**INITIAL BRIEF OF RESPONDENT JAMIE MARIE MCADAMS,
INDIVIDUALLY AND AS THE PERSONAL REPRESENTATIVE OF THE ESTATES OF
ROBIN C. WINTER AND SCOTT F. MCADAMS**

/s/ Scott F. Talley

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Robin C. Winter and Scott F. McAdams

November 21, 2024

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Southern Silica Mining & Manufacturing Company v. Hoefler, 215 S.C. 480, 497, 56 S.E. (2d) 321, 328 (1949)

Statement of Issues on Appeal

- I. Did the trial court err in finding that there was never a meeting of the minds as to the purchase price set forth in the option provision of the August 5, 2020 lease agreement?

- II. Did the trial court err in finding that the Appellant was in default of the terms and provisions of the August 5, 2020 lease agreement?

Statement of the Case

Appellant filed her Summons and Complaint and a Lis Pendens in this matter on November 15, 2022, Anderson County Clerk of Court. In her Complaint, the Appellant alleged that the Respondent Jamie McAdams, individually and in her capacity as Personal Representative for the Estates of Robin C. Winter and Scott F. McAdams (hereinafter referred to as Respondent), breached a contract between the parties (that contract being a Standard Residential Lease Agreement for property located at 109 Center Street, Williamston, South Carolina with a term of August 1, 2020 to August 1, 2022), specific performance and damages. Respondent filed her Answer and Counterclaim to the Complaint on December 1, 2022 alleging that the Appellant had breached the parties lease agreement by failing to pay rent when due and seeking attorney's fees pursuant to the provisions of the lease agreement. Appellant filed her Reply to the Counterclaim on December 21, 2022. The matter was tried before Hon. R. Lawton McIntosh non-jury on July 23, 2024.

On July 25, 2024, the Court issued its Form 4 order in favor of Respondent, finding that there was no meeting of the minds as to the option purchase price in the lease agreement. Appellant filed a Motion to Reconsider, Alter or Amend the July 25, 2024 order on July 31, 2024, which was denied. The Respondent filed a Motion to Alter/Amend the July 25, 2024 order on August 4, 2024. This Motion was granted and an Order entered on August 16, 2024 setting forth the amount of rent due and owing to the Respondent from the Appellant as well as the amount of attorney's fees awarded to the Respondent pursuant to the terms of the August 5, 2020 lease and the finding that the Appellant was in breach.

Argument

I. The trial court did not err in finding that there was never a meeting of the minds as to the purchase price set forth in the option provision of the August 5, 2020 lease agreement and therefore no enforceable option.

South Carolina common law requires that, in order to have a valid and enforceable contract, there must be a meeting of the minds between the parties with regard to all essential and material terms of the agreement. *Hughes v. Edwards*, 265 S.C. 529, 220 S.E. (2d) 231 (1975). Contractual ambiguity exists when terms within a contract, viewed objectively, may be reasonably subject to more than one interpretation. In this case, the August 5, 2020 lease agreement states: Option to purchase, \$50,000 negotiable. This language was in the August 5, 2020 lease agreement when it was signed by the Appellant and Scott McAdams, now deceased. Respondent was not a party to the lease agreement nor present for any discussions regarding the terms used therein.

It is undisputed that the word negotiable is not defined in the lease agreement. As the trial court sets forth in its July 25, 2024 Form 4 Order, since the term negotiable is not defined in the lease agreement, the Court used its plain and ordinary meaning. By its very meaning, as defined in Merriam Webster's dictionary, the word negotiable means "open to discussion or dispute." There was not a meeting of the minds, and the trial court found that the term "negotiable" as it related to any option purchase price was ambiguous. The trial court was clear that the ambiguity in the lease agreement at issue was the use of the word negotiable in regard to the option purchase price.

It is well settled in South Carolina that option contracts are strictly construed in favor of the optionor and against the optionee. E. g., *Southern Silica Mining & Manufacturing Company v.*

Hoefer, 215 S.C. 480, 497, 56 S.E. (2d) 321, 328 (1949) ("[the] argument by the defendant that the Courts do not favor forfeiture and therefore the option to renew must be granted, overlooks the fact that options because unilateral, are strictly construed against the party claiming the option"). Here, the Appellant has two problems: 1. There is no meeting of the minds as to what the actual purchase price was to be in the lease agreement as it is negotiable; and 2. The Appellant defaulted pursuant to the terms of the lease agreement prior to expressing a desire to exercise the option for whatever price the parties may have then agreed upon. Further, the lease agreement expired in August 2022 yet to this day, Appellant continues to occupy the property. South Carolina courts have also stated that when an individual grants an option he ties up his rights and property for a specified period of time without binding the other side. For this reason, he is entitled to strict compliance with time limits and other terms of the option. In this instance, one term of the option was that the purchase price was negotiable – no agreement was reached at the time of the lease agreement being entered in August 2020 and no agreement was reached by the parties to this appeal thus the litigation was commenced. A property valuation performed by Anderson County was submitted into evidence at the trial of this case indicating a value for the property in the year 2023 in excess of \$112,000.00. This was further evidence submitted by the Respondent that the purchase price was negotiable and not agreed upon at the time of the lease agreement.

Appellant seems to rely on her statements to Respondent that she wanted to purchase the property as some binding agreement between them, but as the trial court correctly found, and as the Respondent testified at trial, there was never an agreement as to the purchase price which per the terms of the August 5, 2020 lease agreement was negotiable.

II. The trial court did not err in finding that the Appellant was in default of the terms and provisions of the August 5, 2020 lease agreement for failing to pay rent when due

The August 5, 2020 lease agreement clearly states that the Tenant, in this case the Appellant, will be in default if Tenant does not pay rent or other amounts that are owed. Based on her own testimony at the trial of this matter, the Appellant did not pay rent when due on more than one occasion. Appellant even states in her brief that she began not paying timely in 2021, during the term of the August 5, 2020 lease agreement. At that time, the reason for nonpayment was that a Personal Representative had not been appointed. That issue was remedied when Respondent was appointed. Appellant then paid rent to the Respondent at an agreed upon amount. Appellant again stopped making payments in 2022. At this time, the reason that Appellant claimed she stopped making payments was the property being in foreclosure; the foreclosure was resolved by the Respondent causing zero harm to the Appellant. Her occupancy and use, possession and control of the property was never compromised. Even when she attempted to remedy her default by paying some rent monies into her attorney's trust account, she did not pay the entire balance due. Thereafter, she failed to pay monies to the Respondent or her attorney and in essence lived in the home "rent free" for many months. It should be noted that while the Appellant has paid \$800.00 per month to the Respondent since August 1, 2024, the rent the Court found to be due and owing, including the monies held by Appellant's counsel, have yet to be paid to the Respondent.

The trial court further found that the Plaintiff/Appellant had failed to comply with the terms of the August 5, 2020 lease agreement by failing to pay rent when due on 3 separate occasions. The court did state that the first instance of failure to pay rent was somewhat excusable since no

personal representative had been appointed after Mr. McAdams passing. Beginning April 2022 until December 2022, well beyond the term of the August 5, 2020 lease agreement, the Appellant failed to pay rent. And when she did pay to her attorney the amount she paid was not the full amount that was owed pursuant to the August 5, 2020 lease agreement as far as monthly payments. From January 2023 until June 2023, Appellant again failed to make rent payments. The Court acknowledged that the lease term ended in August 2022. Appellant seems to be taking advantage of the court process and living rent free beyond the terms of the lease agreement entered on August 5, 2020. While Appellant is currently paying \$800 per month during the pendency of this appeal, she has yet to fully compensate the Respondent for payments due for her occupancy since entering the August 5, 2020 lease agreement as well as for payments that should have been made/are due beyond that lease agreements expiration in August 2022 as set forth in the Court's August 16, 2024 Order.

The trial court found that even if there were a meeting of the minds as to a purchase price, which there was not, the Appellant cannot now seek to enforce any term of the August 5, 2020 lease agreement, for which she is in default as set forth in the trial court's July 25, 2024 order. Appellant has remained in possession of the subject property through the date of this filing still owing monies for rent found to be due and owing for her occupancy prior to the Court's Order in August 2024.

Conclusion

The trial court was correct in finding not only that the Appellant was in default of the August 5, 2020 lease agreement, but also that there was no meeting of the minds as to the option price set forth in the lease agreement. It was written and agreed upon by both parties to the lease agreement that the price was \$50,000 negotiable. This appeal should be denied and the orders of the trial court as to the default of Appellant, amounts due and owing to the Respondent, including attorney's fees be affirmed.

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