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**SC Court of Appeals**

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

APPEAL FROM GREENVILLE COUNTY  
Court of Common Pleas

The Honorable R. Lawton McIntosh, Circuit Court Judge

Case No. 2020-CP-23-05689

JE&MA Enterprises, LLC.....Appellant,

v.

WB Services, Inc. and Diamond Jubilee Pelham, LLC.....Defendants,

of whom

Diamond Jubilee Pelham, LLC is .....Respondent.

**INITIAL BRIEF OF APPELLANT JE&MA ENTERPRISES, LLC**

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**STATEMENT OF ISSUES ON APPEAL**

- I. THE COURT LACKED SUBJECT MATTER JURISDICTION TO RULE THAT THE PLAINTIFF’S LIEN WAS “ILLEGAL, VOID, AND UNENFORCEABLE AS A MATTER OF LAW” .....3

## STATEMENT OF THE CASE

On or about December 14, 2020, Plaintiff/Appellant JE&MA Enterprises, LLC (“JE&MA”) brought this action against Defendant/Respondent Diamond Jubilee Pelham, LLC (“Diamond”) for foreclosure of its mechanics’ lien and breach of South Carolina Code Ann. § 27-1-15 and against for Defendant WB Services, Inc. (“WB”) for a breach of contract, quantum meruit, account stated and breach of South Carolina Code Ann. § 27-1-15. [Complaint]. On April 19, 2023, JE&MA obtained a judgment against WB in the amount of \$614,135.04. [April 19, 2023 Order].

On or about March 3, 2021, a Consent Order was entered wherein JE&MA’s claims against Diamond were stayed pending a determination of WB’s claims under its contract with Diamond. [March 3, 2021 Order]. After the determination of WB’s claims under its contract with Diamond, on March 17, 2023, Diamond filed its Answer and Counterclaims for declaratory judgment and slander of title. [Answer]. Diamond’s declaratory judgment sought to determine whether Express Lien, Inc. d/b/a Levelset’s preparation of JE&MA’s mechanics’ lien was the unauthorized practice of law rendering Plaintiff’s mechanics’ lien void. [Answer].

On April 14, 2023, JE&MA filed a motion for Summary Judgment on Diamond’s counterclaims. [Motion for Summary Judgment]. A motion hearing was held before the Honorable R. Lawton McIntosh, and, on July 10, 2023, the Court issued its Form 4 Order denying Plaintiff’s Motion and determining that Plaintiff’s lien was stricken. [July 10, 2023 Order]. On August 23, 2023, a formal Order was issued which ruled that Plaintiff’s mechanics’ lien was “the result of and permeated with [the unauthorized practice of law]” and was, therefore, “illegal, void, and unenforceable as a matter of law”. [August 23, 2023 Order].

On April 14, 2024, JE&MA filed a Motion for Relief from Judgment. [Motion for Relief]. On August 5, 2024, the Honorable R. Lawton McIntosh denied JE&MA’s motion and this appeal ensued. [August 5, 2024 Order].

### **STATEMENT OF FACTS**

In 2018, Diamond entered into a contract with WB wherein WB agreed to serve as general contractor for the construction of a Comfort Suites hotel project (“Project”) for Diamond in Greenville, South Carolina. WB, in turn, hired JE&MA and other subcontractors to work on the Project. During the construction of the Project, issues arose relating to the work of WB and its subcontractors, related to delays, defective work, and fraudulently submitted lien waiver and pay applications. Due to non-payment, the Project became encumbered by multiple mechanics liens; including the lien filed by JE&MA.

JEMA’s mechanics’ lien was prepared and recorded by lien generation software company based in Louisiana, Express Lien, Inc. d/b/a Levelset. [Diamond Memo in Opposition]. All pertinent portions of the JEMA Lien were executed by a non-lawyer employee of Levelset, Charles Henson. [Id.] The Levelset software generated the mechanics lien form, which was filled in by JEMA. [Id.] Henson caused the JEMA Lien to be recorded in the Greenville County Register of Deeds without reviewing any of the information provided by JEMA. [Id.]

### **ARGUMENT**

#### **I. THE COURT LACKED SUBJECT MATTER JURISDICTION TO RULE THAT THE PLAINTIFF’S LIEN WAS “ILLEGAL, VOID, AND UNENFORCEABLE AS A MATTER OF LAW”**

Article V § 4 of the South Carolina Constitution confirms that only the South Carolina Supreme Court can regulate the practice of law in South Carolina. *S.C. Const. Art. V. § 4*; *See also In re Unauthorized Practice of Rules Proposed by the S.C. Bar*, 309 S.C. 304, 305, 422 S.E.2d

123, 124 (1992) (“The Constitution commits to th[e South Carolina Supreme] Court the duty to regulate the practice of law in South Carolina”). Our Supreme Court just confirmed that “when there is a novel question regarding whether an unlicensed individual has engaged in activities that should only be conducted by a member of the South Carolina Bar, the parties should file a declaratory judgment action in the Court's original jurisdiction. If this novel question surfaces in the midst of litigation, the trial court should stay the action until this Court decides the declaratory judgment action.” *U.S. Bank National Association v. Frances L. Mack n/k/a Frances L. Mack-Marion*, Appellate Case No. 2022-001147.

In the matter at hand, the Court erroneously ruled that Plaintiff's mechanics' lien was “the result of and permeated with [the unauthorized practice of law]” and was, therefore, “illegal, void, and unenforceable as a matter of law” when the Court did not have the subject matter jurisdiction to determine same due to the novel fact pattern at issue. *Id.* Whether Plaintiff's mechanics' lien was the result of and permeated with the unauthorized practice of law and therefore, void, is only determinable at the Supreme Court and the Supreme Court has not made such a determination.

### **CONCLUSION**

For the foregoing reasons, JE&MA Enterprises, LLC respectfully asks this Court to reverse the lower Court and determine that it did not have the subject matter jurisdiction to determine whether Plaintiff's mechanics' lien was void due to Express Lien, Inc. d/b/a Levelset's preparation of JE&MA's unauthorized practice of law.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Townes B. Johnson III', is written over a horizontal line.

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February 6, 2025  
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