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**Nov 26 2025**

**SC Court of Appeals**

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF GREENVILLE )

IN THE COURT OF COMMON PLEAS  
CASE NO.: 2024-CP-23-04910

Harbor Town Association, Inc., )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
Rajiv Kumar Lakhaney, Deceased, et. al., )  
 )  
Defendants. )

**ORDER DENYING  
MOTION TO VACATE**

This matter is before the Court on the Motion to Vacate Order (the “Motion”) filed by the Estate of Rajiv Kumar Lakhaney on September 4, 2025, seeking to set aside the Court’s prior orders, including the Judgment of Foreclosure and Sale entered on June 11, 2025, and the subsequent foreclosure sale conducted on August 4, 2025.

The Court conducted a hearing on the Motion on October 7, 2025, during which it received witness testimony, documentary exhibits, and oral argument from counsel. Following the hearing, the Court also received post-hearing argument. After reviewing the record and considering the arguments of counsel, the Court is now prepared to issue its decision.

**FINDINGS OF FACT AND PROCEDURAL HISTORY**

1. On August 12, 2024, Plaintiff Harbor Town Association, Inc. filed this action against Ravij Kumar Lakhaney, seeking to foreclose a lien (the “Lien”) for unpaid homeowners’ association assessments encumbering the real property located at 36 Spinnaker Court, Greenville, South Carolina (the “Property”).

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2. The Lien was recorded on June 16, 2023, in Book MO 5738, Page 3230, in the Office of the Register of Deeds for Greenville County. It was filed to secure unpaid monthly assessments and other charges from the 2023 calendar year. The Lien also covers future monthly assessments and any additional charges authorized under the Declaration of Covenants, Conditions, and Restrictions for Plaintiff Harbor Town Association, Inc.

3. Mr. Lakhanev passed away on July 31, 2024.

4. After discovering Mr. Lakhanev passed away, and finding no estate opened in South Carolina, Plaintiff filed an Amended Summons and Complaint, substituting RAJIV KUMAR LAKHANEV, DECEASED; and any children and heirs at law, distributes and devisees, and if any be deceased then any persons entitled to claim under or through them; also all other persons unknown claiming any right, title, interest, or lien herein, any unknown adults being a class designated as John Doe; and any unknown minors or persons under disability or in the military service being a class designated as Richard Roe as defendants.

5. Kelley Yarborough Woody, Esq. was appointed as Guardian ad Litem Nisi and Attorney for any Unknown Persons in the Military Service. Notice of Ms. Woody's appointment was published for three consecutive weeks in the Greenville News. In addition, Ms. Woody sent written correspondence to the Property.

6. Following her appointment, Ms. Woody was contacted by Phil Ziganto, a friend of Mr. Lakhanev, and Katherine Semyonov.

7. Ms. Semyonov was previously married to Mr. Lakhanev and had filed for divorce in Florida prior to his death. Although the divorce was finalized before his passing, the Florida family court had not yet resolved issues related to equitable distribution.

8. The Estate of Rajiv Kumar Lakhaney was opened in the Bergen County Surrogate's Court in New Jersey under Docket No. 2024-3095 (the "Estate"). Ms. Semyonov was initially appointed as the Administrator of the Estate.

9. Ms. Woody provided Ms. Semyonov's contact information to Plaintiff's counsel.

10. Ms. Semyonov, acting as Administrator of the Estate, contacted Plaintiff's counsel and entered into an installment payment agreement on December 17, 2024, to cure the past-due assessments.

11. The Estate did not comply with the terms of the installment payment agreement. Ms. Semyonov testified that she stopped making payments under the agreement because she was involved in a dispute with certain members of Mr. Lakhaney's family related to the Estate. She further testified that she had been making the installment plan payments from her personal funds and was not being reimbursed by the Estate.

12. Ms. Semyonov was later removed as Administrator of the Estate, and Catherine Cortes-Sykes, Esq. was appointed as Substitute Administrator on or about January 22, 2025. At the time of her appointment, Ms. Cortes-Sykes did not notify Plaintiff or Ms. Woody that she had been appointed as Substitute Administrator.

13. Plaintiff resumed its foreclosure action and noticed the final hearing for June 6, 2025.

14. On May 27, 2025, Ms. Woody forwarded the notice of hearing to Ms. Semyonov.

15. Ms. Semyonov, in turn, provided the notice of hearing to Ms. Cortes-Sykes on or about the same day.

16. According to Plaintiff's counsel's case management notes, which were admitted into evidence, Ms. Cortes-Sykes contacted Plaintiff's counsel in June 2025. Plaintiff's counsel attempted to return her call on June 5, 2025—the day before the foreclosure hearing.

17. On June 6, 2025, a final hearing was held and the court entered a judgment of foreclosure and sale and ordered the Property sold at the August 4, 2025 judicial sale.

18. On August 4, 2025, the Court offered the Property for sale. Following competitive bidding involving at least two other participants, Oriole Properties, LLC emerged as the successful bidder at \$25,000. Testimony established that bidding on the Property progressed incrementally until reaching this amount, at which point the remaining participants ceased bidding. Thereafter, Oriole Properties, LLC deposited 5% of its bid with the Court on August 4, 2025. Oriole Properties, LLC then assigned a half interest in its bid to Thomas and Son Properties, LLC (the "Third-Party Purchasers").

19. At the hearing, the Court received testimony from Clayton Custer, principal of Oriole Properties, LLC. Mr. Custer testified regarding his extensive experience attending judicial foreclosure sales in South Carolina and acquiring distressed properties through such proceedings. He described his familiarity with the foreclosure process, including evaluating properties, bidding procedures, and post-sale compliance requirements. Mr. Custer further explained the due diligence he performed prior to bidding on the Property, including reviewing the court filings and confirming the status of title. Mr. Custer confirmed that he was not made aware of any alleged irregularities prior to complying with the bid on August 14, 2025.

20. This Court issued a deed to Oriole Properties, LLC and Thomas and Son Properties, LLC dated August 18, 2025, and recorded on August 18, 2025, in Deed Book 2762 at Page 1880.

21. After complying with the bid, the Third-Party Purchasers undertook substantial renovations to the Property. Testimony indicated that the Property was in a condition requiring significant repairs, with estimated renovation costs ranging from \$35,000 to \$45,000. Renovation work had already commenced prior to the Estate's filing of its Motion to Vacate on September 4, 2025—nearly one month after the auction—demonstrating the Third-Party Purchasers' reliance on the finality of the sale and their investment in improving the Property.

22. The Property was sold at the Greenville County Delinquent Tax Sale in December 2024.

23. The total amount needed to redeem the Property from the tax sale is \$10,013.66. This figure does not include the 2024 real property taxes of \$3,183.13, nor does it include any 2025 real property taxes, which remain unpaid.

24. The Court also received testimony regarding the condition and value of the Property. The tax-assessed value was approximately \$107,000, and the Property had previously sold at a tax sale for \$100,000. Over objection from counsel for the Third-Party Purchasers, Ms. Semyonov testified that the Property had been appraised at \$178,000.

25. Based on the terms of the Judgment of Foreclosure and Sale, the Property was sold subject to outstanding property taxes.

### **LEGAL STANDARD**

“The determination of whether to set aside a foreclosure sale is a matter within the discretion of the trial court.” *Bloody Point Prop. Owners Ass'n, Inc. v. Ashton*, 410 S.C. 62, 66, 762 S.E.2d 729, 731 (Ct. App. 2014). “A judicial sale should not be set aside except for cogent reasons. The purpose of the law and of the proceedings in which a sale has been decreed is that it shall be final.” *Spillers v. Clay*, 233 S.C. 99, 104, 103 S.E.2d 759, 761–62 (1958).

## CONCLUSIONS OF LAW

In the Motion, the Estate argues that the foreclosure process was flawed due to lack of notice, failure to name the proper properties, and a sale price that allegedly shocks the conscience. In contrast, the Third-Party Purchasers assert that they are entitled to the protections afforded to bona fide purchasers under South Carolina law, and that the sale should be upheld.

### **1. The Third-Party Purchasers are Bona Fide Purchasers**

The evidence presented at the hearing establishes that the Third-Party Purchasers qualify as bona fide purchasers under South Carolina law. A party claiming the status of a bona fide purchaser must show: “(1) actual payment of the purchase price of the property, (2) acquisition of legal title to the property, or the best right to it, and (3) a bona fide purchase, ‘i.e., in good faith and with integrity of dealing, without notice of a lien or defect.’” *Buffalo Creek Invs., Inc. v. Pettus*, 440 S.C. 111, 120, 889 S.E.2d 608, 612 (Ct. App. 2023) (quoting *Robinson v. Est. of Harris*, 378 S.C. 140, 146, 662 S.E.2d 420, 423 (Ct. App. 2008)). South Carolina courts have long held that a purchaser in good faith at a judicial sale is not affected by procedural irregularities or even errors in the judgment under which the sale is made. *Cumbie v. Newberry*, 251 S.C. 33, 37, 159 S.E.2d 915, 917 (1968). This principle is codified in S.C. Code Ann. § 15-39-870, which provides that once a deed is executed and delivered by the proper officer of the court, the proceedings under which the sale was made are deemed res judicata as to all bona fide purchasers for value without notice — regardless of whether the sale is subsequently confirmed.

Here, the evidence establishes that the Third-Party Purchasers paid the full bid amount, acquired legal title to the Property, and had no actual or constructive notice of any alleged defect in service or process. They conducted due diligence, relied on the finality of the judicial sale, and

acted in good faith throughout. Accordingly, the Court finds that the Third-Party Purchasers are entitled to the protections as bona fide purchasers.

**2. Plaintiff was not required to substitute the Administrator of the Estate as a Party**

The Estate argues that Plaintiff was required to join the Administrator of Mr. Lakhaney's Estate as a party to the foreclosure action. This Court disagrees. Under S.C. Code Ann. § 29-3-610, a foreclosure action may proceed without naming the personal representative of a deceased mortgagor as a defendant, so long as the plaintiff does not seek a personal judgment against the estate. In this case, Plaintiff sought only to foreclose a lien against the real property and did not pursue a deficiency or personal judgment. Accordingly, joinder of the Estate's Administrator was not required under South Carolina law.

**3. The Estate had Actual Notice of the Foreclosure**

The Court finds that the foreclosure proceedings were conducted in accordance with applicable law and procedural requirements. Moreover, the Administrators of the Estate had actual notice of the foreclosure action and the final hearing. Specifically, Ms. Semyonov, the initial Administrator, was informed of the proceedings, and she subsequently provided notice to Ms. Cortes-Sykes, who had been appointed as the successor Administrator. Plaintiff's counsel also attempted to return Ms. Cortes-Sykes's call prior to the hearing, further confirming the Estate's awareness of the pending action.

Given this actual notice, the Estate cannot now claim surprise or lack of opportunity to participate. As recognized in *Belle Hall Plantation Homeowner's Ass'n, Inc. v. Murray*, 419 S.C. 605, 619 (Ct. App. 2017), the equitable doctrine of laches may bar a party from seeking relief where they have unreasonably delayed asserting a known right, resulting in prejudice to others. Here, there was as a failure to take timely and appropriate action to address the delinquent

assessments or to intervene in the foreclosure proceeding before judgment was entered and the Property was sold. This inaction, coupled with the reliance of Third-Party Purchasers on the finality of the judicial sale, supports the application of laches and weighs against any equitable relief.

#### **4. The sales price was not inadequate and does not “shock the conscience”**

Under South Carolina law,

[A] judicial sale will not be set aside due to an inadequate sale price unless: (1) the price was so grossly inadequate as to shock the conscience of the court; or (2) an inadequate—but not grossly inadequate—price at the sale is accompanied by other circumstances from which the court may infer fraud has been committed.

*Winrose Homeowners’ Ass’n, Inc. v. Hale*, 428 S.C. 563, 569, 837 S.E.2d 47, 50 (2019).

“South Carolina has not established a bright line rule for what percentage the sale value must be with respect to the actual value in order to shock the conscience of the court. However, a search of South Carolina jurisprudence reveals only when judicial sales are for less than ten percent of a property’s actual value, have our courts consistently held the discrepancy to shock conscience of the court.” *E. Sav. Bank, FSB v. Sanders*, 373 S.C. 349, 359, 644 S.E.2d 802, 807 (Ct. App. 2007).

In evaluating the fairness of the foreclosure sale, the Court also considers the distinction between the Debt Method and the Equity Method of valuation. *Winrose Homeowners’ Ass’n, Inc. v. Hale*, 428 S.C. 563, 571, 837 S.E.2d 47, 51 (2019). The Debt Method evaluates the fairness of a foreclosure sale by comparing the total financial obligation associated with the property — including the winning bid and any outstanding mortgage or lien amounts — against the property’s fair market value. *Id.* On the other hand, the Equity Method “is a ratio comparing the winning bid price to the amount of equity (i.e. the fair market value minus the amount of the outstanding mortgage) in the foreclosed property. *Id.* The Debt Method should be used in most

circumstances because a foreclosure sale purchaser purchases a property subject to unpaid taxes and other liens. *Id.*

The Court finds the Debt Method should be used in this case because the Property was not encumbered by a mortgage lien. In light of the applicable legal standard and the evidence presented, the Court finds that the sale price does not rise to the level of gross inadequacy required to set aside a judicial sale. Here, the Property sold for \$25,000 and was sold subject to \$13,196.79 in outstanding property taxes, bringing the total financial obligation associated with the Property to approximately \$38,196.79. This does not include the fact that significant expenses for renovations are needed. Even accepting the Estate's assertion that the Property had an estimated value of \$178,000, the sale price represents more than 20% of the debt-adjusted value. This figure exceeds the threshold South Carolina courts have consistently recognized as "shocking the conscience," which typically requires a sale price below 10%. And, using the value of the Tax Assessor being \$107,000, the sale price represents approximately 35% of the debt-adjusted value (without renovations costs). Moreover, there is no credible evidence of fraud, collusion, or other irregularities accompanying the sale that would warrant judicial intervention. The Third-Party Purchasers acted in good faith, relied on the finality of the judicial process, and have since taken steps to improve the Property. Accordingly, the Court concludes that the sale must stand, and the Motion to Vacate is denied.

IT IS THEREFORE ORDERED:

1. The Motion to Vacate is denied.
2. Oriole Properties, LLC and Thomas and Son Properties, LLC are recognized as bona fide purchasers for value, and title to the property located at 36 Spinnaker Ct., Greenville, SC 29611 shall remain vested in said purchasers.

AND IT IS SO ORDERED.

[JUDGE'S SIGNATURE PAGE TO FOLLOW]



## Greenville Common Pleas

**Case Caption:** Harbor Town Association Inc vs. Rajiv Kumar Lakhaney , defendant,  
et al  
**Case Number:** 2024CP2304910  
**Type:** Master/Order/Other

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)