

RONALD W. MORRIS

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E&R REALTY COMPANY 121
LEEWARD, LLC AND ERIC
MONROE.

Jun 03 2026

PLAINTIFF(S)

DEFENDANT(S)

Submitted by: COURT

Attorney for : Plaintiff Defendant
or
 Self-Represented Litigant

SC Court of Appeals

DISPOSITION TYPE (CHECK ONE)

- JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered. See Page 2 for additional information.
- ACTION DISMISSED (CHECK REASON):** Rule 12(b), SCRPC; Rule 41(a), SCRPC (Vol. Nonsuit); Rule 43(k), SCRPC (Settled); Other
- ACTION STRICKEN (CHECK REASON):** Rule 40(j), SCRPC; Bankruptcy; Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; Other
- STAYED DUE TO BANKRUPTCY**
- DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**
 Affirmed; Reversed; Remanded; Other Appeal Dismissed

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

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

THIS MATTER CAME BEFORE THE COURT on April 8-9, 2026 for a jury trial in Lexington County. This Court submitted the legal matters for jury determination and withheld judgment on the equitable foreclosure action in accordance with South Carolina law. On April 9, 2026, the jury returned a verdict for the plaintiff in the amount of \$50,000. On May 4, 2026, the Court issued an order stating that: "it will keep its verdict in the foreclosure portion of this action under advisement for the next 14 days so that the parties may endeavor to resolve all outstanding issues in this case to everyone's mutual satisfaction." The Court was notified on May 13, 2026, by email that the parties were unable to reach an agreement on the outstanding equitable matters. Plaintiff was represented by Allen Neumeister, Esq. Defendant was represented by William Edwards, Esq. For the reasons set forth below, the Court declines to grant foreclosure.

To grant foreclosure, the mortgagee must establish the existence of the debt, the mortgagor's default, and the mortgagee's ownership of the note and mortgage. *U.S. Bank Trust Nat. Ass'n v. Bell*, 385 S.C. 364 (2009). Once these elements are established, the Court considers any equitable defenses raised by the mortgagor, such as laches, unclean hands, equitable estoppel, or waiver. *See Belle Hall Plantation Homeowner's Association, Inc. v. Murray*, 419 S.C. 605 (2017). The unclean hands doctrine could preclude equitable relief if the mortgagee

engaged in unconscionable conduct, such as unauthorized practice of law or other inequitable behavior. *See Matrix Fin. Servs. Corp. v. Frazer*, 394 S.C. 134, 714 S.E.2d 532 (2011). Furthermore, “There exists in every contract an implied covenant of good faith and fair dealing. *Adams v. G.J. Creel & Sons, Inc.*, 320 S.C. 274, 277, 465 S.E.2d 84, 85 (1995). The implied covenant of good faith and fair dealing does not create new contractual duties which are not already expressed or implied in the contract. *See* 17A Am. Jur. 2d *Contracts* § 362 (2016) “Rather, the implied covenant serves only to govern the manner in which parties to a contract enforce their existing contractual rights and carry out their existing contractual duties—express or implied.” *Rd., LLC v. Beaufort Cnty.*, 443 S.C. 11, 24, 902 S.E.2d 366, 372 (2024). “When issues common to both legal and equitable claims are to be tried in a single proceeding, legal issues are to be determined first, and the **findings of the jury are binding on the sitting judge, as trier of the equitable claims.**” *Johnson v. S.C. Nat. Bank*, 292 S.C. 51, 55, 354 S.E.2d 895, 897 (1987) [emphasis added].

Here, the debt, default, and ownership of the note are not disputed by either party. The issue is whether E&R Reality can still pursue a foreclosure action against Mr. Morris even though a jury found the Defendant breached their contract. The Court finds authorizing foreclosure would be inequitable. First, since the jury determined that Defendant breached the contract, this Court, sitting in equity, is bound by the jury’s determination. Given that the contract was breached due to Defendant’s interference with Plaintiff’s performance (i.e. E&R’s failure to provide information so that Mr. Morris may secure financing to satisfy the balloon payment), the jury found, and this Court so finds, that the defendant breached the implied covenant of good faith and fair dealing.

Furthermore, the doctrine of unclean hands applies. Defendant’s behavior, which consisted of his failure to timely communicate or aid Plaintiff in his efforts to obtain financing for the balloon payment, was highly inequitable. Defendant was the sole possessor of the necessary documentation which was needed for Plaintiff to secure financing, and Defendant obstructed that process. The Court does not make this determination solely because the jury determined that a contract was breached; rather, the totality of the circumstances demonstrates inequitable behavior by Defendant. Therefore, the Court denies Defendant’s request for foreclosure in the above titled action.

As a final note, the Court was previously informed that, until the beginning of this year, Plaintiff has been making payments on the note and mortgage. To the extent that any payments have not been made this year or otherwise, Defendant is certainly free to institute a new foreclosure action, and obviously, the ruling in this case would not be binding on any such new filing.

IT IS SO ORDERED.

ORDER INFORMATION

This order ends does not end the case.

INFORMATION FOR THE JUDGMENT INDEX		
Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.		
Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
		\$
		\$
		\$
If applicable, describe the property, including tax map information and address, referenced in the order:		

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**
E-Filing Note: In E-Filing counties, the Court will electronically sign this form using a separate electronic signature page.

<i>s/ Frank R. Addy, Jr.</i>	2159	May 18, 2026
Circuit Court Judge	Judge Code	Date

For Clerk of Court Office Use Only

This judgment was entered on the _____ day of _____, 20____ and a copy mailed first class or placed in the appropriate attorney's box on this _____ day of _____, 20____ to attorneys of record or to parties (when appearing pro se) as follows:

Allen Neumeister, Esq.	William Edwards, Esq.
ATTORNEY(S) FOR PLAINTIFF(S)	ATTORNEY(S) FOR DEFENDANT(S)
	CLERK OF COURT

Court Reporter: Stacy Johnson

E-Filing Note: In E-Filing counties, the date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgement to parties who are not E-Fileers or who are appearing pro se. See Rule 77(d), SCRCP.



Lexington Common Pleas

Case Caption: Ronald W. Morris VS E&R Realty Company 121 Leeward, Llc ,
defendant, et al
Case Number: 2024CP3201555
Type: Order/Form 4

So Ordered

S/ Frank R. Addy, Jr.