

THE STATE OF SOUTH CAROLINA
Supreme Court

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APPEAL FROM CHESTERFIELD COUNTY
Court of Common Pleas

S.C. Supreme Court

William O. Spencer, Jr., as Special Referee

Unpublished Opinion No. 2011-UP-071

Walter Mortgage Company Respondents

v.

Natasha L. Green and Shilon L. Green Petitioners'

APPENDIX

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The following items are included in the Appendix:

Final Brief of Appellants'

Appellants' reply to Respondent's final Brief

Record on Appeal

Supplemental record on Appeal

Letter from COA affirming the lower court's decision

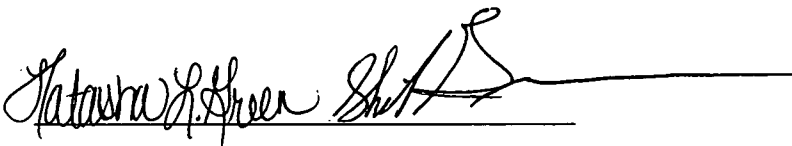
Motion to Petition for Rehearing

Supplement to Motion to Petition for Rehearing

Letter from COA denying Petition for Rehearing

Certification of Petitioners'

The undersigned Petitioners' certifies that to the best of our knowledge the foregoing APPENDIX complies with Rule 267(d).

Handwritten signatures of Natasha L. Green and Shilon L. Green. The signature of Natasha L. Green is on the left, and the signature of Shilon L. Green is on the right, both written in black ink.

Natasha L. Green and Shilon L. Green
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PETITIONER'S

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM CHESTERFIELD COUNTY

William O. Spencer, Jr., as Special Referee

Case No. 2008-CP-13-0025

Walter Mortgage Company Respondents

v.

Natasha L. Green and Shilon L. Green Appellants

FINAL BRIEF OF APPELLANTS

Natasha L. Green and Shilon L. Green
Post Office Box 334
McBee, SC 29101
Appellants'

J. Kershaw Spong
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STATEMENT OF THE ISSUE

- I. DID THE TRIAL COURT ERR BY FINDING NO GENUINE ISSUE OF MATERIAL FACT UPON WHICH TO DENY RESPONDENT'S MOTION FOR SUMMARY JUDGMENT?**

STATEMENT OF THE CASE

The Appellants are a married couple who wanted to build a home on some real Estate they owned in McBee, South Carolina. In early 2007, they contracted for this work to be done by Jim Walter Homes, Inc. (hereinafter referred to as Jim Walter Homes).

Jim Walter Homes is a construction company whose primary office is located at 4211 W. Boy Scout Road Tampa, Florida. Jim Walter Homes is division of Jim Walter Industries.

All of contractual documents in this matter, including the Construction Agreement, the Financing Agreement, and the Mortgage, were created by Jim Walter Homes and executed by the Appellants at the Florence, South Carolina office of Jim Walter Homes. (ROA pp.1-47) No attorney was involved in this transaction. (ROA pp. 78 L 1-4) (ROA pp 79 L 1-10) (ROA pp 82 L 15-21) (ROA pp 128 L 11-12)

The Appellants' mortgage was thereafter assigned to Jim Walter Mortgage Company, another division of Jim Walter Industries. Like Jim Walter Homes, Jim Walter Mortgage Company's primary office is at 4211 W. Boy Scout Road in Tampa, Florida. (ROA pp.50) Jim Walter Mortgage Company is the Respondent in this matter.

Construction of the Appellants' home began in the spring of 2007. As construction approached completion; flaws were identified with the contractor's work.

A disagreement between the Appellants and Jim Walter Homes ensued. Appellants alleged Jim Walter Homes had breached its contract with them. (ROA pp. 12 L.1-5) (ROA pp.26 L. 9-13) (ROA pp 79 L 1-4) (ROA pp 80 L 1-11) (ROA pp. 128 Line 4)

The home never passed final inspection and a certificated of occupancy was never issued by Chesterfield County. As a consequence, the home cannot be lived in. (ROA pp..128 L.5) Before making agreed upon mortgage payments, Appellants demanded the home be fixed and a

certificate of occupancy be issued. (ROA pp. 48) (ROA pp 80 L 1-4) This did not occur, and Respondent initiated the underlying action as suit for foreclosure in January of 2008. (ROA pp. 51-68)

Appellants timely answered and impleaded Jim Walter Homes as a third party defendant alleging breach of contract, fraud, and unfair trade practices. As affirmative defenses to Respondent's foreclosure action, Appellants alleged 1) Jim Walter Homes' breach of contract estopped the Respondent from foreclosing its mortgage, 2) Respondent's documents were unconscionable as applied and should not be enforceable until Appellants were able to occupy the home, and 3) the documents supporting Respondent's Complaint were illegal and in violation of state and federal laws protecting residential homebuyers. (ROA pp. 69-84) (ROA pp 128-129)

Respondent timely replied, and using the same law firm, Jim Walter Homes timely answered the third party complaint. Jim Walter Homes then moved to sever the action and compel arbitration of the third party action. (ROA pp. 85-99) The underlying action was ordered stayed until arbitration was completed.

The third party action was arbitrated on December 2, 2008. It did not contain any findings of fact. The Appellant was awarded Four Thousand (\$4,300.00) Dollars. None of the issues related to Appellants' defenses to the foreclosure action were addressed. (ROA pp. 100) Those were all to be heard in relation to the foreclosure action.

Once the arbitration was completed, the case was referred to William O. Spencer, Jr., as Special Referee by the Chesterfield Court of Common Pleas. (ROA pp.101-102) Respondent subsequently moved for summary judgment. (ROA pp.103) Respondent's motion was heard on May 28, 2009. It was supported by an affidavit of the Respondent. (ROA pp. 105-108) That affidavit basically restated Respondent's complaint. The Construction Agreement, Financing Agreement, Mortgage, and Arbitration Award were all attachments.

Appellants opposed Respondent's motion and filed the Affidavit of Shilon L. Green (ROA pp. 128-129) which alleged concerted action on the part of Jim Walter Homes and Jim Walter Mortgage Company, and a direct connection between Appellants' failures to pay mortgage payments and the builder's failure to complete the home. (ROA pp. 48-49, ROA pp.50)

At the hearing on Respondent's Motion for Summary Judgment, both parties agreed to the admission into evidence of any of all documents in Court's file and any and all documents used at the arbitration of the third party action. Both parties argued in a manner consistent with their pleadings. The hearing was not recorded. The Special Referee subsequently ruled in favor of the Respondent. His Order did not contain any findings of fact relative to Appellants' affirmative defenses, other than to state the Court did not find any "material issue of disputed fact." (ROA pp.133-145)

Appellant subsequently noticed and filed this appeal. (ROA pp. 131)

ARGUMENT

THE TRIAL COURT ERRED BY FINDING NO GENUINE ISSUE OF MATERIAL FACT UPON WHICH TO DENY RESPONDENT'S MOTION FOR SUMMARY JUDGMENT SINCE THE ISSUE OF WHETHER OR NOT THE RESPONDENT IS A MERE LENDER IS A GENUINE ISSUE OF MATERIAL FACT GIVING RISE TO APPELLANTS' DEFENSES AGAINST FORECLOSURE.

In reviewing the grant of a summary judgment motion, the Court should apply the same standard which governs the trial court; summary judgment is proper when there is not genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law.

Rules of Civ. Proc., Rule (56); Osborne v. Adams, M.D., 346 S.C. 4, 550 S.E. 2d 319 (2001); Baughman v. American Tel. & Tel. Co., 306 S.C. 101, 410 S.E. 2d 537 (1991).

In determining whether any triable issues of fact exist, the evidence and all reasonable inferences there from must be viewed in the light most favorable to the non-moving party.

Summer v. Carpenter, 328 S.C. 36, 492 S.E. 2d 55 (1997). On appeal from an order granting summary judgment, the appellate court will review all ambiguities, conclusions, and inferences

arising in and from the evidence in a light most favorable to the non-moving party below.

Williams v. Chesterfield Lumber Co., 267 S.C. 607, 230 S.E. 2d 447 (1976).

Appellant was the non-moving party below. Consequently, if any genuine issue of material fact was properly alleged by the Appellant and not conclusively refuted by evidence before the court below, summary judgment is improper, and the lower court's Order must be reversed and this case remanded for a full evidentiary hearing on all claims and defenses.

A lender substantially involved in completing construction of a home can be held legally responsible for defects in the construction. See Kirkman v. Parex, Inc., 369 S.C. 477, 632 S.E. 2d 854 (2006). Whether a lender was substantially involved in completing a home is an issue of fact properly heard by the fact finder at an evidentiary hearing.

Foreclosure is an action in equity. Wrongs committed by a foreclosing lender against a mortgagee can bar the lender from foreclosure by application of the doctrine of unclean hands. See Walker v. Oswald, 151 S.C. 152, 148 S.E. 722 (1929). Even adjudicated third party claims, while not actions against the lender for damages can nevertheless be valid defenses to foreclosure. Whittle v. Jones, 79 S.C. 205, 60 S.E. 522 (1908).

Respondent below sought the equitable relief of foreclosure and cannot prevail if it can be shown it has unclean hands in this matter. To determine the appropriateness of summary judgment, the issues then are whether the respondent is only a mere lender, and if not, whether there are any allegations of wrongdoing on the part of the respondent.

There was sufficient evidence before the Special Referee at the hearing on Respondent's Motion of Summary Judgment to indicate the Respondent might be more than a mere lender in this matter. At the beginning of the summary judgment hearing, both parties stipulated to the admission into evidence of the court's file and also documents submitted into evidence at the arbitration of the Appellants' third party claim against Jim Walter Homes. The filed Affidavit of Shilon Green alleges Jim Walter Homes and Jim Walter Mortgage Company acted in concert in

this matter. The e-mail messages in evidence before the Special Referee indicate the Respondent was at least aware of the actions of Jim Walter Homes in this matter. Additionally, Jim Walter Homes and Jim Walter Mortgage Company appear to be collocated at 4211 W. Boy Scout Road in Tampa, Florida. From the documents before this Court and in evidence before the court below, they also appear to be divisions of the same parent company, Jim Walter Industries. From the evidence, Respondent may be more than a mere lender in this matter. As such, wrongs committed against the Appellants by Jim Walter Homes may be attributable to the Respondent and may give rise to defenses by the fact finder at an evidentiary hearing.

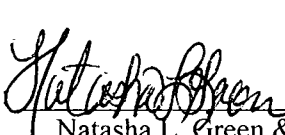
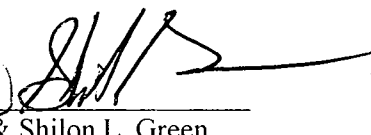
This issue of fact is material, since there are serious allegations of wrongdoing against Jim Walter Homes. In fact, the evidence before the Special Referee was that the arbitration of the Appellants' claims against Jim Walter Homes had resulted in an award granted to the Appellants. The Arbitration Award does not contain factual findings, but it is against Jim Walter Homes and must indicate some wrongdoing in this matter by Jim Walter Homes.

Taken as a whole, the allegations and evidence before the Special Referee indicate there was a genuine issue of material fact in this matter as to whether or not Appellants had legitimate defenses to Respondent's foreclosure action. Summary judgment should have been denied, and the Appellants should have been allowed an evidentiary hearing to bring these matters before a fact finder. Consequently, the lower court's Order should be reversed and this matter remanded to the Special Referee for an evidentiary hearing.

CONCLUSION

For these reasons, the Special Referee's Order granting summary judgment below should be reversed, and this matter remanded to the Special Referee for a full hearing on the merits of all claims and defenses.

Respectfully submitted,

BY  
Natasha L. Green & Shilon L. Green
P.O. Box 334
McBee, SC 29101
(843) 335-5794
Appellants

CERTIFICATE OF SERVICE BY MAIL
2008-CP-13-0025

We, Natasha L. Green and Shilon L. Green, Appellants, do hereby certify that we have on January 20, 2010 served a copy of our FINAL INITIAL BRIEF on attorney for REPONDENTS by mailing a copy thereof to him at the address indicated below.

J. Kershaw Spong
Robin, McFadden & Moore, P.C.
PO Box 944
Columbia, SC 29202

Handwritten signatures of Natasha L. Green and Shilon L. Green. The signature of Natasha L. Green is on the left, and the signature of Shilon L. Green is on the right. Both signatures are written in black ink and are positioned above a horizontal line.

Natasha L. Green and Shilon L. Green
PO Box 334
McBee, SC 29101

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STATEMENT OF ISSUES ON APPEAL

1. DID THE LOWER COURT RULE ON THE ISSUE NOW UNDER APPEAL?
2. DOES THE RECORD ESTABLISH A SUFFICIENT ISSUE OF MATERIAL FACT TO PRECLUDE SUMMARY JUDGMENT?

STATEMENT OF THE CASE

On or about March 7, 2007, Defendants Natasha L. Green and Shilon L. Green entered into a construction agreement whereby Jim Walter Homes, Inc. agreed to build a house for the Greens on credit. (R. pp. 1-10) They also executed and delivered to Jim Walter Homes, Inc. a financing agreement in writing, wherein they promised to pay to Jim Walter Homes, Inc. the sum of \$123,330.00, plus a finance charge. (R. pp. 11-13) Pursuant to paragraph one of the Financing Agreement, payments were to begin on the 5th day of the month following the 45th day after release of the home to the Greens. The Greens were not required to make any deposit or down payment for the house. However, in paragraph six of the financing agreement, the Greens agreed to execute and deliver to Jim Walter Homes, Inc. a mortgage on the subject real property to secure the construction on credit of the house.

Thereafter, the Greens executed the subject mortgage which was recorded in the Office of the Clerk of Court for Chesterfield County in Book 419 at page 960. Thereafter, by assignment dated the 8th day of January, 2008, and recorded in said Clerk of Court's Office, Jim Walter Homes, Inc. assigned said mortgage to the Respondent.

Jim Walter Homes, Inc. constructed the house. On or about June 29, 2007, Jim Walter Homes, Inc. released the house to the Greens who accepted the house by signing the Tender Acknowledgement/Completion Certificate. (R. p. 126) The Tender Acknowledgement provided in part:

- That the home has either been fully completed or is substantially complete and is built according to their contract.
- That the Greens thoroughly inspected the home; that there is no further work to be done nor any materials or fixtures to be supplied by the Builder.
- That the Greens accept release of the home and assume full possession, control of, responsibility for, and the insurable interest in the building site, home and contracted items.
- That their obligation to make monthly home payments will now begin and that their first payment will become due and payable on the 5th day of the month following at least 45 days from today's date.

Accordingly, under the terms of the construction and financing agreement, payments were to start August 5, 2007.

Nevertheless, despite having signed the Tender Acknowledgement/Completion Certificate, the Greens complained about certain aspects and scope of the work under the construction agreement, which could not be resolved to their satisfaction. On January 16, 2008 – six months after payments were to commence, and the Greens having failed to make a single payment – Respondent commenced the present foreclosure action. No deficiency judgment was demanded.

The Greens answered and asserted certain claims against Jim Walter Homes, Inc. which were outlined in their third-party complaint. (R. pp. 71-76) The answer admitted the execution of the construction and financing agreements, and further, raised unspecified issues of unconscionability and

unspecified violations of state and federal consumer protection laws. The relief prayed for in defense to the foreclosure cause of action was reforming the contract documents to require payment only after the house was completed. (R. p. 75) No prayer for monetary damages was requested against Respondent. The third party claims against Jim Walter Homes, Inc. asserted claims of breach of contract, fraud and misrepresentation, and unfair trade practices. (R. pp. 71-76)

These third party claims were submitted to binding arbitration on November 11, 2008. The Greens were represented by counsel Barry L. Thompson II. The arbitrator issued his award on December 3, 2008. (R. p. 127)

The Arbitration Award provided:

The undersigned James L. Bruner, the duly appointed arbitrator in the above-captioned action, having received the evidence presented by the parties and considered the argument of counsel for each party, hereby makes the following award with respect to all issues framed by the third-party pleadings and in accordance with the South Carolina Uniform Arbitration Act:

The Third-Party Defendant shall pay to the Third-Party Plaintiffs the sum of \$4,300.00.

This award is in full satisfaction of all claims and issues framed by the third-party pleadings in the above-referenced case. The claims and issues framed by the first-party pleadings are not within the scope of the parties' arbitration agreement and are not considered or decided herein. Each party shall bear his own attorneys' fees and costs.

The Arbitration Award, which represented less than 3.5% of the contract price, was subsequently paid to the Greens, in full by Jim Walter Homes, Inc. and

the third party action dismissed with prejudice.

On or about February 6, 2009, Respondent moved for summary judgment on its foreclosure action. (R. pp. 103-130) On May 28, 2009, the motion was heard by William O. Spencer Jr. as Special Referee, who granted the motion by order dated July 20, 2009. The Greens were represented at the hearing by attorney Thompson.

On September 8, 2009, over two years after the Greens had accepted the house and during which time they never made a single payment, the house sold at foreclosure. The Greens refused to post a bond to stay the foreclosure sale as required by S.C. Code Ann. §18-9-170 (1976), and on September 8, 2009 the property was sold to the highest bidder, Walter Mortgage Company, LLC, which was deeded the house on September 14, 2009.

ARGUMENT

I. APPELLANTS' CONTENTION THAT RESPONDENT, BECAUSE IT WAS ALLEGEDLY INVOLVED IN COMPLETING CONSTRUCTION OF THE SUBJECT HOME, COULD BE HELD RESPONSIBLE FOR DEFECTS IN THE CONSTRUCTION THEREOF, WAS NOT PRESENTED TO OR RULED ON BY THE LOWER COURT, AND THEREFORE APPELLANTS ARE PRECLUDED FROM RAISING THIS ISSUE ON APPEAL.

Appellants assert that a lender involved in completing construction of a home can be held legally responsible for defects in construction under Kirkman v. Parex, Inc., 369 S.C. 477, 632 S.E.2d 854 (2006).

In Kirkman, the Court held that a lender may be liable for breach of implied warranty of habitability where it forecloses on a developer in the midst of construction of homes, takes title, has substantial involvement in completing the construction, and sells the home. Id. at 483, 632 S.E.2d at 857.

However, nowhere in Appellants' affidavit, pleadings or in the lower court's order was the issue of liability under an implied warranty of habitability advanced against the Respondent as a "controlling lender."

Where an issue is not raised in the lower court, not explicitly ruled on by the lower court, and appellant made no Rule 59(e), SCRCP motion to alter or amend the order, it is not preserved for appeal. Hawkins v. Mullins, 359 S.C. 497, 502, 597 S.E.2d 897, 899 (Ct. App. 2004). The issue in Hawkins concerned an appeal from a family court order. The Court of Appeals held that since the issue was raised but not ruled upon in the family court and the appellate did not make a post-trial motion for reconsideration, the issue was not preserved for appeal. Id.

In Townsend v. City of Dillon, 326 S.C. 244, 486 S.E.2d 95 (1997), the Court held that the issue of whether the city council was required to submit an ordinance to the planning commission was not preserved for appeal because the issue had not been ruled upon by the trial judge. Id. at 247, 486 S.E.2d at 97.

In Noisette v. Ismail, 304 S.C. 56, 403 S.E.2d 122 (1991), the state Supreme Court reversed the Court of Appeal's remand on an issue and reinstated the judgment of the circuit court on that issue because it had not properly been before the Court of Appeals. Id. at 58, 403 S.E.2d at 124. One party had argued to the Court of Appeals that Noisette failed to prove that Ismail was a permissive user of the automobile at the time of the accident. Id. at 57, 403 S.E.2d at 123. The Court of Appeals remanded the permissive user question because the trial court had not made findings of fact on the issue. Id.

However, when the case was appealed to the Supreme Court, the Court found that the circuit court had not originally ruled on the permissive user issue. Id. Since the party had not made a Rule 59(e) motion to preserve that issue, the Supreme Court held that the issue had not properly been before the Court of Appeals and should not have been addressed. Id. at 58, 403 S.E.2d at 124.

See also 15 S.C. Jur. Appeal and Error § 71-76 (1992); Jones v. State Farm Mut. Auto. Ins. Co., 364 S.C. 222, 612 S.E.2d 719, (Ct. App. 2005); S.C. Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters Risk Retention Group, 347 S.C. 333, 554 S.E.2d 870 (Ct. App. 2001); Shealy v. Doe, 370 S.C. 194, 634 S.E.2d 45 (Ct. App. 2006).

II. APPELLANTS' AFFIDAVIT WAS SO CONCLUSORY AND DEFENSES SO VAGUE AND UNSPECIFIED THAT THERE REMAINED NO MATERIAL ISSUE OF FACT PRECLUDING SUMMARY JUDGMENT ON RESPONDENT'S FORECLOSURE ACTION.

The affidavit Mr. Green submitted in opposition to Respondent's Motion for Summary Judgment stated in part:

* * *

As soon as the builder fixes my house or pays me the money that I won from them on arbitration for their breach of contract to me so I can fix my home, I will be glad to begin paying my mortgage payments.

(R. p. 128)

It is undisputed the claims against the builder were fully and finally adjudicated in arbitration, and an award made in Appellants' favor for which they have been paid in full by the contractor. Accordingly, Appellant's own affidavit acknowledged that payment was due under the financing agreement and

mortgage. Yet at no time have Appellants ever made any payment whatsoever to Respondent for the house.

The remaining defenses were so vague, ambiguous and unspecified, that coupled with Appellant's conclusory affidavit, no material issue of fact remained to be determined subsequent to the arbitration.

The Greens' answer alleged the construction agreement, financing and mortgage are "unconscionable in that they were procured in violation of state and federal law." Green Answer ¶ 5. (R. p. 2) Yet the answer fails to specify how the documents were unconscionable, and what state and federal laws were violated.

When a party is faced with a Motion for Summary Judgment that is supported by evidence, the party cannot defeat the motion by relying upon the mere allegations of his pleadings, but must disclose facts he intends to rely on by affidavit or other proof. Sharpe v. Settle, 315 S.C. 510, 516, 445 S.E.2d 651, 655 (Ct. App. 1994).

A conclusory statement as to the ultimate issue in a case is not sufficient to create a genuine issue of fact for purposes of resisting summary judgment. Id.; German v. New York Life Ins. Co., 286 S.C. 34, 38, 331 S.E.2d 385, 388 (Ct. App. 1985).

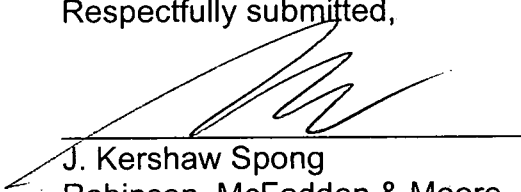
To allege someone has violated unspecified state and federal law is not sufficient to create an issue of fact. Moreover it was undisputed the Greens had never made a single payment on the house which they certified in 2007 to be substantially complete.

Presented with such a record, the lower court properly concluded Respondent was entitled to foreclose on the subject property.

CONCLUSION

Appellants' theory of liability against Respondent as a "controlling lender" was not raised in the lower court, or ruled on by the lower court. Moreover, once the construction claims were fully and finally adjudicated in arbitration, the remaining claims against Respondent were too vague and unspecified to prevent summary judgment for foreclosure. For these reasons, the appeal should be denied.

Respectfully submitted,



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Attorney for Respondents

January ^A29, 2010

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In The Court of Appeals

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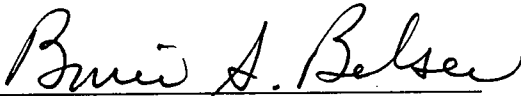
v.

Natasha L. Green and Shilon L. Green Appellants.

PROOF OF SERVICE

I, Bonnie A. Belser, an employee with the law firm of Robinson, McFadden & Moore, P.C. hereby certify that I have on January 29, 2010 served a copy of the Respondent's Final Brief in the foregoing action upon the individuals below by causing same to be deposited with the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as follows:

Natasha L. Green
Shilon L. Green
Post Office Box 334
McBee, SC 29101


Bonnie A. Belser

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Natasha L. Green and Shilon L. Green Appellants.

CERTIFICATE OF COUNSEL

The undersigned certified that this Final Brief of Respondent complies with
Rule 211(b), SCACR.



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January 29th, 2010

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**APPELLANTS' REPLY TO
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Post Office Box 334
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843-335-5794
Appellants

On March 7, 2007 my wife and I executed the following documents: South Carolina Construction Agreement, color Selection Addendum, House Plan, Mortgage, Financing Agreement, Promissory Note, Attorney/Insurance Preference Insurance Disclosure, Affidavit of Identity, Exhibit A, Exhibit B, along with receiving some manuals and other documents that didn't require our signatures. (ROA pp 78 L 21-22) (ROA pp 79 L 1-10) Natasha, James Hoffman, (a sales rep), and I were the only ones present at the loan closing. (ROA pp.14 L 45-60) (ROA pp 79 L 4-10) James Hoffman stated to Natasha and I that they do things different and we didn't need an attorney to close our loan nor do they require us to sign a Hud-1 Settlement Statement. (ROA pp 78 L 1-4) (ROA pp 79 L 1-4) (ROA pp 82 L 15-16) Before we went to sign what we thought was the preliminary paperwork to get things moving, Kay Peebles, James Hoffman and I had been communicating over the phone. At 100% financing, the original cost of the home was about \$135,000.00. I received several phone calls from Kay Peebles and James Hoffman because they knew we were first-time homebuyers and that we were looking to build or purchase a home. Kay called and said that she could finance 90% at \$123,300 with us being responsible for all the painting, flooring, and utilities. I told her that I didn't have a problem with the 90%, because that would give us some equity in the home and then she asked if we had our own land/property. I stated to her that we were looking to purchase some property, but we didn't own any property at that time. Kay asked us to come in and we agreed to meet on March 7, 2007. Once we signed all the documents, James Hoffman made copies and issued them to us. Some of the copies that we received are not the same copies that Mr. Spong has or will present as evidence.

(ROA pp 14-15 (ROA pp 122-123) (ROA pp 4) (ROA pp 112) James Hoffman told us to bring the deed back to them once we decided what property we were going to purchase. We found some land, paid for it, and took the deed to them just as we were instructed to do. (ROA pp 124 L 11-12) We received a phone call from Kay informing us that she sent their appraiser out and he/she came back with a value of \$13,500. She stated that the value was good enough and a down payment was not required. (ROA pp 11) (ROA pp 109 L 21-23)

On June 27, 2007 (a Thursday afternoon) we met construction manager, Ray Hardwick at the property to inspect the home and we found several problems/concerns with the home and we were promised by Ray Hardwick, the construction manager that the first thing Monday morning he would make sure those items were fixed. He asked us to sign the paperwork because it was required by the office and so we did.

On June 29, 2007 (a Saturday morning) we met construction manager, Ray Hardwick again. The house was Tendered and Released to us. (ROA pp 126) (ROA pp 79 L 20-24) We signed the Agreement, but again expressed our concerns about the incompleteness of the house and were assured that Jim Walter would complete the 90% per our contract. (ROA pp 81 L 4-16 (ROA pp109 L 27-30) According to their Manual for New Homeowner, page 7 says, "If you are unavailable or unwilling to sign the Tender Acknowledgment, the home will automatically be released to you with a notice by mail". (ROA pp 12 L 1-12) We had no other choice, but to accept the house according to their handbook. We complained for about 2 months (before payments were to begin) until Kay along with Ray Hardwick agreed to meet us at the property. My wife, a friend ours, and I met Kay, along with Ray at the property on about August 8, 2007 to show Kay all of the

items that had not been corrected when we met the construction manger, Ray Hardwick on June 27 & June 29, 2007. Testimony was given during our arbitration hearing on December 2, 2008 about this very day that we all met in August.

The first payment was scheduled to begin September 5, 2007, but was changed to October 5, 2007 due to various problems that were brought to their attention ever since we signed the Tender Agreement on June 29, 2007 that was promised by construction manager, Ray Hardwick, but never got fixed or corrected. (ROA pp 129 L 1-2)

After someone came out on or about October 17, 2007 to fix the walls, we had to repaint the house again. (ROA pp 48) On or about October 29, 2007 we called the Chesterfield County Code Enforcement office to issue us a Certificate of Occupancy (CO) so that we could begin moving our things into our house. Under the agreement, it was our responsibility to obtained the CO, but testimony was given by David Wilkes during our arbitration hearing on December 2, 2008 that in Chesterfield County whom ever applies for the building permit, the same person/company has to be the one's who obtain the CO. (ROA pp. 111 L 19-20) (ROA 106 L 23-24) (ROA pp129 L 27-29) I explained to him the house was released to us every since June 29, 2007 and we were ready to obtain the CO. David informed us that he could not issue a CO because no one ever called him to finish inspecting the work Jim Walter completed before it was released to us. (ROA pp 113 L 23-24) David Wilkes, the inspector, came out and inspected the home and issued a red tag for some code violations. The house until this very day has been issued 3 red tags since being released to us on June 29, 2007 and has not passed inspections. (ROA pp 80 L 1-2) Since June 29, 2007 the house has failed the following codes: non-working receptacles (6) all wired with 12-3 wire, non-working light switch in

master bedroom, GFCI receptacle needed beside sink in the kitchen area, Junction box for hallway smoke detector is improperly installed, Attic access has no insulation, Outside handrails down steps do not meet code, Smoke detectors are controlled by a light switch, and Thermostat not working properly. (Could not included documents from the Chesterfield County Code Enforcement Office in the ROA) We signed the Tender Agreement on June 29, 2007, but we had no idea that the home would fail inspection or violated code. We were trusting that the home was fully completed to the 90% that we initially signed for and that all inspections were completed before we signed the Tender Agreement. (ROA pp129)

On December 3, 2008 we went to arbitration, in which, James Bruner was the arbitrator. Mr. Bruner issued and signed his order and it says the following:

The undersigned James Bruner duly appointed arbitrator in the above-captioned action, having received the evidence presented by the parties and considered the argument of counsel for each party, hereby makes the following award with respect to all issues framed by the third-party pleadings and in accordance with the South Carolina Uniform Arbitration Act:

The Third-Party Defendant shall pay to the Third-Party Plaintiffs the sum of \$4,300.00

This award is in full satisfaction of all claims and issues framed by the third-party pleadings in the above-referenced case. The claims and issues framed by the first-party pleadings are not within the scope of the parties' arbitration agreement and are not considered or decided herein. Each Party shall bear his own attorneys' fees and costs. (ROA pp 100)

Mr. Spong, however, wants to present as evidence a "Satisfaction of Arbitration Award and Stipulation of Dismissal with Prejudice" document/order not signed by Mr. Bruner, the arbitrator, but by Barry Thompson and Charles McDonald on July 5, 2009 and clocked into the Chesterfield Court house on August 19, 2009. Again, this paper work that was filed entitled, "Satisfaction of Arbitration Award and Stipulation was not signed

by Mr. Bruner nor was it a part of his order. (ROA pp 5-6)

On May 28, 2009 at the foreclosure hearing, opposing counsel informed our counsel, along with Mr. William Spencer that they were sending the award. We never received the award until after the sale of the house, which took place on September 8, 2009. At the hearing on or about December 2, 2008, counsel Charles McDonald, who also works in the same law office as Mr. Spong in his closing arguments stated that he agreed that the mortgage has some major problems. There was no attorney present, there was not a Hud-1 Settlement Statement to sign, and some of the documents that Mr. Spong has or will present does not have the same information that we received after the loan closing. Jim Walter Representatives, along with me, informed Walter Mortgage of all the problems that were going on with the house before payments were suppose to begin. (ROA pp 48 L 6-22) (ROA pp 49 L 1-6) Jim Walter Homes, Inc. assigned said mortgage to the Respondent by assignment dated on January 8th, 2008, but evidence will show that we actually received a letter from Walter Mortgage welcoming us as New Homeowners dated July 10, 2007. (ROA pp 50) (ROA pp L 22-23) (ROA pp 125)

On February 5, 2009 Mr. Spong filed a Motion for Summary Judgment.(ROA pp104) On February 27, 2009 our counsel, Barry Thompson filed a Motion for Summary Judgment and a Demand for a Trial by Jury Motion. (Not included in the ROA, but is clocked in and received in the Chesterfield Court House dated March 4, 2009 10:45 am)

On March 16, 2009, in which my wife and I were not present, both counsels argued before Circuit Judge Paul Burch. Mr. Burch never ruled on either motion; instead, he issued and signed his "Order for Reference". The beginning of his Order for Reference states:

“That this action is referred to William O. Spencer, Jr. as Special Referee to take testimony, rule upon motions, including motions presented to the Court on this date, and to direct entry of final judgment in this action under Rule 53(b) S.C.R.CP. and all matters arising from or reasonably related to such action. Said Special Referee shall have the authority to remand any issues back to this Court that he deems necessary for trial by jury”. (ROA pp 101 L 3-4)

At this foreclosure hearing, we could not give our testimony nor call any Witnesses, but according to Mr. Burch’s Order for Reference, Mr. Spencer was supposed to take testimony as well. (ROA pp 101 3-4) We had/have witnesses that will testify about how Jim Walter/Walter Mortgage conducted their business. We were instructed that we could not neither ask nor answer any questions. We had the code inspector that was willing to give testimony again. The only thing that we could do was just to sit there and listen to the attorneys argue. The foreclosure hearing was not recorded because Mr. Spencer, stated he didn’t have access to a recorder nor was a court reporter present. In all fairness to us, Mr. Spong can not be 100% accurate on what was argued or presented at the foreclosure hearing. Mr. Spong stated on January 16, 2008-six months after payments were to commence, we failed to make a single payment- Respondent commenced the present foreclosure action. Natasha and I were excited about our new home. We wanted nothing more, but to move our family into something that we could call our own. We wanted to make our payments. We planned to refinance the home for a better interest rate and knew we had to have a good pay history on our report in order for us to obtain a better rate with another mortgage company. (ROA pp 48 L 37-40) We have invested close to \$15, 000.00 in this home. (ROA pp 82 L 20-24) (ROA 1-6) Once

Jim/Walter Mortgage were notified about the house failing code on or about October 29, 2007, we started getting threats about foreclosure. The main thing they wanted was to get rid of us. (ROA pp 49 L 6) They knew the house should have never been released until all the inspections were completed.

Mr. William O. Spencer Jr. granted the house to be foreclosed and go to sale on July 20, 2009, but a letter dated July 10, 2009 from Mr. Spong had the date they wanted to proceed with the sale of our home on September 8, 2009. This same letter dated July 10 from Mr. Spong also states they were in receipt of our notice of appeal, but the notice would not operate to stay foreclosure sale absent the posting of a bond. Our appeal was filed on or about August 19, 2009.

We received Mr. Spencer Order by fax on September 4, 2009 and the sale was to take place on September 5, 2009 at 10:00 or 11:00. We were required to file two sureties in Compliance with 18-9-170 of the South Carolina Code of Laws. They wanted the wording to read like this on the sureties:

“appellants and the undersigned sureties, jointly and severally, will pay for any waste committed or suffered to be committed on the land and shall pay a reasonable rental value for the use and occupation of the property from the time of the execution of this undertaking to the time of the sale, but not exceeding the amount of such deficiency, which sum shall be duly entered as a payment on the judgment.”

The reason we refused to post the bond was because, we could not use or occupy the property. The property has not, until this present time passed code and Certificate of Occupancy can not and has not been issued. (ROA pp 128)

CERTIFICATE OF SERVICE BY MAIL
2008-CP-13-0025

We, Natasha L. Green and Shilon L. Green, Appellants, do hereby certify that we have on January 27, 2010 served APPELLANTS' REPLY TO RESPONDENT'S FINAL BRIEF on attorney for REPONDENTS by mailing a copy to him at the address indicated below.

J. Kershaw Spong
Robinson, McFadden & Moore, P.C.
PO Box 944
Columbia, SC 29202

Handwritten signatures of Natasha L. Green and Shilon L. Green, written in black ink over a horizontal line.

Natasha L. Green and Shilon L. Green
PO Box 334
McBee, SC 29101

18173

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM CHESTERFIELD COUNTY

William O. Spencer, Jr., as Special Referee

Case No. 2008-CP-13-0025

Walter Mortgage Company Respondents

v.

Natasha L. Green and Shilon L. Green Appellants

RECORD ON APPEAL

Natasha L. Green and Shilon L. Green
Post Office Box 334
McBee, SC 29101
Appellants

J. Kershaw Spong
Robin, McFadden & Moore, P.C.
Post Office Box 944
Columbia, SC 29202
Attorney for Respondent

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**SOUTH CAROLINA
CONSTRUCTION AGREEMENT**

JIM WALTER HOMES, INC.
(with Limited Warranty)

001

THIS AGREEMENT made this 7 th day MARCH of 20 07
between Natasha L Green & Shilon L Green
hereinafter referred to as "Buyer,"
whose address is 927 S. Eleventh St., McBeeSC, 29101
and JIM WALTER HOMES, INC., a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard,
Tampa, Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller".

WITNESSETH:

In consideration of the payment by Buyer to Seller of the sum of \$ 123,330.00 (hereinafter referred to as "Purchase Price"), payable as hereinafter set forth, Buyer and Seller hereby agree as follows:

1. Description of House. Seller agrees to build a house, according to the plans and specifications and Exhibits "A", "B", and "D", executed in conjunction herewith and furnished to Buyer prior to the execution of this contract, which are by reference made a part hereof as if fully rewritten herein, on the real property of Buyer located at: 401 Union Church Road, McBee, SC 29101, Chesterfield County having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

2. Payment Draw Schedule. Buyer shall pay the Purchase Price as follows [check one]:
- ☐ (a) Payment pursuant to the attached Draw Schedule Acknowledgement from Buyer's own reserve of cash funds.
 - ☐ (b) Payment pursuant to the attached Loan Commitment Letter with Draw Schedule provided by Buyer's lending institution.
 - ☒ (c) Payment pursuant to a Seller-financed installment sale, subject to Seller approving Buyer for an extension of credit and Buyer signing all additional documents required by Seller. In the event Buyer is not approved for Seller-financing, this Agreement is null and void

For payment options 2(a) and 2(b), when Seller determines that there has been substantial completion of its contract obligations hereunder, and thereby determines that the remaining portion of the Purchase Price is due from the Buyer, Seller shall so notify Buyer in writing of such determination and such amount shall become immediately due and payable. Substantial completion occurs when the Seller determines that it has performed its obligations as set forth in the contract, with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate"; and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items; and such remaining items will not prevent Buyer from preparing the House for occupancy. If Buyer fails to make immediate payment, interest at the rate of ten percent (10%) per annum will begin accruing ten (10) days thereafter on any amount remaining outstanding until paid. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

The Purchase Price does not contemplate any revisions or alterations to the basic home model selected by Buyer that may be necessary due to site conditions or local governmental ordinances. In the event that Seller determines that additional costs are required, the parties agree to re-execute a new Agreement or either party may declare this Agreement null and void upon notice to the other.

Under Seller's incremental building concept, it is possible for Buyer to select a combination of interior finishing options from Seller which Seller cannot complete until Buyer first completes certain other work or items Buyer has reserved for Buyer to complete or provide. In such event, when Seller has completed as much work as it can until Buyer completes Buyer's own work, Seller shall promptly notify Buyer of such fact. If within fourteen (14) days of such notification, Buyer completes Buyer's own work necessary to allow Seller to then complete Seller's remaining construction obligations, the payment schedule selected above shall be followed. If, however, Buyer fails to complete Buyer's own such work within fourteen (14) days, Buyer's remaining indebtedness to Seller shall be due and payable in full at the end of such fourteen (14) day period and will accrue interest at the rate of ten percent (10%) per annum until paid.

3. No Oral Representations; Joint and Several Liability; Arbitration Agreement. This instrument and the other instruments executed in conjunction herewith set forth the price and all the terms, promises, agreements, conditions and understandings between Buyer and Seller relative to the construction and purchase of the House to be built hereunder, and there are no other promises, agreements, conditions or understandings either oral or written between them other than as set forth herein. If two (2) or more persons are named herein as Buyer, their obligations shall be joint and several. Before this contract will become effective, it must be approved by an authorized representative of Seller. **IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.**

4. Completion Date. NO COMPLETION DATE HAS BEEN REPRESENTED OR IS A PART OF THIS CONTRACT.

5. Soil Testing. Seller assumes no responsibility or obligation for, and in fact disclaims any responsibility or obligation for any testing, study or knowledge with respect to whether Buyer's site is suitable or proper for the construction of the House. Buyer hereby expressly warrants to Seller that Buyer has made and performed any and all reasonable or necessary testing, study, and investigation, or that Buyer has knowingly elected to forego any such testing, study and investigation and that Buyer's site is in fact, or deemed by Buyer to be, suitable and proper for the construction of the House to be built by Seller. Buyer acknowledges, understands and agrees that, in agreeing to build the House on the site selected by Buyer, Seller is relying upon Buyer's representation and warranty that the site is in fact suitable and proper for the construction of the House, including but not limited to the suitability and propriety of the foundation option selected by Buyer.

6. Footings and Foundation. Seller will be responsible for constructing any concrete footings for walls and piers as described in the Exhibit "B" incorporated herein. Any additional labor and/or materials required by reason of deficiencies in soil conditions not known to Seller until after excavation is completed, which would require extra footings, reinforcing, piers, concrete block or concrete walls, will be paid for by Buyer in addition to the Purchase Price.

7. Pilings. Unless pilings are specified for this House, either in the plans attached hereto or in "Exhibit A" attached hereto, they are not a part of this contract, will not be provided by Seller and are not included in the price contained in this contract. Unless otherwise required by locally-adopted code, regulation or the like, or unless otherwise agreed in writing by the parties hereto, if pilings are so specified, they shall be set into the ground. The depth into the ground they are to be set will be determined by any relevant, locally-adopted code; if there is no such code, they will be set to the depth established by Seller. In the event Buyer requires that they be set to a depth greater than that determined by code or by Seller, as the case may be, this contract and all related documents, at Seller's option, may be cancelled and rendered null and void, with any downpayment, less expenses actually incurred by Seller, being returned to Buyer. Commencement of construction shall not be deemed a waiver of Seller's right to cancel pursuant to this paragraph.

Unless otherwise specified in writing in this contract and/or the documents relating to it, Seller will install the specified pilings so that the maximum height of the building from the grade as measured from the bottom of the floor joists to the ground surface shall be eight (8) feet. The height of the remainder of the building from the grade is dependent upon the contour, slope or elevation of the ground at the point of installation of each remaining piling and unlevel sites may significantly reduce this eight (8) foot maximum clearance.

8. Site Preparation: Locating the House on Lot. Buyer is responsible for ensuring the suitability of and preparing the building site for construction. Such preparation includes, but is not limited to, grading and removal of trees, bushes, shrubs, debris and other such material. Buyer is responsible for precisely locating and situating by use of stakes the desired and proper location and position of the House on the building site and in the event Buyer fails to promptly do so, Seller is entitled to do so on Buyer's behalf; however Seller's doing so shall not relieve Buyer's responsibility for staking the desired and proper location and situation of the House, and in the event Seller does so, it shall be conclusively presumed that the location and position of the House are as instructed and desired by Buyer. Buyer is responsible for all clean-up work to the House and the property after Seller has performed its obligations hereunder.

9. Buyer's Responsibilities. Unless the Buyer has opted on Exhibit "A" for a turnkey stage of completion, this contract between Buyer and Seller is for the construction and sale of a partially-completed House. Seller is required to provide or perform only those items, duties and obligations specifically set forth herein. Any items or work necessary or desirable beyond or in addition to those specifically set forth herein shall be the responsibility of the Buyer. Some such items may include, but are not limited to, the availability, permitting, and installation of a septic system, water, electricity, gas, telephone and other utilities. Buyer is also responsible for obtaining the final Certificate of Occupancy, or its equivalent, for the House unless Buyer has opted for the turnkey stage of completion.

10. Limited Warranty. In conjunction with and as a part of the transaction evidenced by this Construction Agreement, Seller is extending to Buyer a Limited Warranty setting forth the standards pursuant to which the House will be constructed and agreeing to remedy certain items should they become defective during the applicable warranty period. The Limited Warranty is a part of the transaction whereby Buyer has contracted with Seller to construct and sell the House; however, with respect to all matters addressed therein, the Limited Warranty supersedes and controls all other contract documents, discussions and representations. Neither any of the contract documents nor any discussions or representations can change, modify or override the Limited Warranty. The Limited Warranty cannot be changed or altered in any way and neither Buyer nor Seller's agents or employees have any authority to do so.

11. DISCLAIMER OF ALL OTHER WARRANTIES: TO THE EXTENT SELLER CAN LAWFULLY DO SO, SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES INCLUDING WARRANTIES OF MERCHANTABILITY, SUITABILITY, HABITABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF SAID LIMITED WARRANTY.

12. Indemnification. Buyer hereby indemnifies Seller for any action(s) taken by Seller in reliance upon the statements made by Buyer herein or directions and instructions given by Buyer to Seller in performing the work contemplated hereunder.

13. Cancellation of Contract. In the event Buyer fails to perform any activities or duties required of Buyer (e.g., failure of Buyer to prepare site for construction or, where applicable, failure of Buyer to complete construction of Buyer's own foundation, failure to obtain financing from third-party lender or fails to provide land suitable for building, failure to clear up all title or contract issues), which failure prevents Seller from commencing construction for a period of sixty (60) days from the date hereof, Seller, at its option, may cancel this contract and retain or recover from Buyer the costs incurred up to the date notice of such cancellation is given to Buyer. In the event the contract is cancelled for any other reason, Seller retains the right to recover from Buyer the Seller's cost incurred such as the costs of survey, permitting, title search, perk test, recording fees, and Seller's lost profits incurred up to the date of cancellation. Thereafter, neither Buyer nor Seller shall have any further claim against the other.

14. Buyer Prohibited From Performing Work On House Until House Released By Seller, Exceptions. Until such time as Seller "releases" the House to Buyer, as set forth in the Limited Warranty, Buyer shall not be permitted to perform any labor in or add any materials to the interior of the House which could in any way hinder Seller's ability to finish its contract obligations hereunder. However, Seller will permit Buyer to "rough in" duct work and to prewire for telephones and television antennas during the course of Seller's performance and before the release of the House to Buyer. Until such time as the release of the House to Buyer occurs, Seller is entitled to, and Buyer hereby grants Seller, full and unrestricted ingress and egress to and use of the above-described property to do and perform all acts, works and construction Seller deems reasonable and necessary to perform or fulfill Seller's activities and obligations hereunder in such manner and at such time as Seller elects.

15. Liens. Failure of this Seller or its Subcontractors or Suppliers to pay those persons supplying material or services to complete this contract can result in the filing of a lien on the above-described property which is the subject of this contract. Subcontractors may be retained on Seller's behalf for labor services on the House. Any agreement between Buyer and Subcontractor shall be separate and apart from this contract, and any responsibility for payment associated therewith shall be the sole responsibility of Buyer.

16. Attorneys' Fees. Buyer shall pay Seller's reasonable legal costs and attorneys' fees incurred in successfully enforcing this contract against Buyer.

17. Enforceability of Contract Provisions. Should any provision of this Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

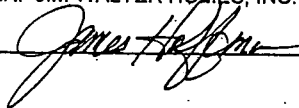
18. Governing Law. This Construction Agreement with Limited Warranty shall be governed by and construed in accordance with the laws of the State of South Carolina.

19. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (I) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (II) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

20. Contract Execution. Should more than one Buyer execute this contract, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other. When signed by Buyer, this Agreement becomes an offer to purchase, and upon signature by Seller, becomes a legally binding contract.

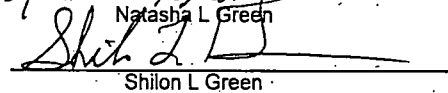
IN WITNESS WHEREOF, Buyer and Seller have executed this Construction Agreement on the day and year first above written.

SELLER: JIM WALTER HOMES, INC.

BY:  _____

BUYER(S):

 _____ (SEAL)
Natasha L. Green

 _____ (SEAL)
Shilon L. Green

BUYER'S RIGHT TO CANCEL

YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

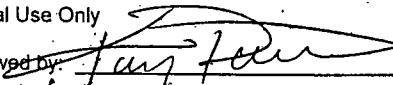
Internal Use Only	
Reviewed by:	
Date:	3/9/07

EXHIBIT "A"

004



PACKAGE, OPTION, AND ADDITIONS

Executed in conjunction with that certain Agreement to build a House entered into between Jim Walter Homes, Inc., ("Seller") and the undersigned Buyer (whether one or more, hereafter "Buyer"), of even date herewith. The following package, option and additions are made a part of said Agreement as if fully recited therein:

Package, Option and Additions: JW_CAMBRIDGE

Description	Quantity
Finish Model	1
Winds - 90 to 99 mph	1
OSB - Structural Sheathing	1
Electrical Heat and Air	1
Dumpster	1
Termite treatment	1
Vinyl Insulated Colo Window	1
Code: Site Clean up	1
DELETE Code: Site Clean up	1

The above Package, Option and Additions have been selected, approved and purchased by the Buyer.

Any items, supplies and materials delivered to Buyer and not to be installed or incorporated into the House by the Seller shall become the responsibility of the Buyer upon delivery thereof and Seller shall be thereafter fully and completely relieved of and from any liability or obligation for the loss, damage, injury, maintenance, safe keeping or responsibility whatsoever thereto, unless caused by the act or omission of Seller.

The Specifications and Data Rider attached to this Agreement and identified as Exhibit "B", contains the description and specifications of certain items, commodities, materials and services used, delivered or performed by Seller (also referred to as Builder in Exhibit B) or incorporated into the House to be constructed by Seller and, where applicable, the content and substance of those package, option and additions listed above, or otherwise selected, approved and purchased by the Buyer, are limited and defined thereunder, and all parties to this Agreement shall be bound and governed by the terms and limitations thereof.

Jim Walter - Florence
BRANCH

03/07/2007
DATED

Natasha Green (BUYER)

Shilon Green (BUYER)

James K. Johnson (SELLER)

JOB NAME: GreenBRANCH: Florence

In instances where brand names and/or standards are specified, Jim Walter Homes, Inc. ("Seller" or "Builder") may substitute (without notice) materials of equal or better quality.

Removal of construction debris and post construction clean-up is to be provided by the Buyer unless the home is built to Turnkey Stage of completion. Subcontractors are to place their waste materials in piles at the construction site.

Arrangements for temporary electrical service during construction is the responsibility of the Buyer.

Tap fees and hookups to water source, sewer system, gas supply, phone, or cable television companies are not included in your contract unless specifically noted.

Impact fees are not a part of your contract.

Due to Buyer's participation in the building process, it is very important that Buyer become familiar with the permitting requirements, if applicable, in the area where Buyer's House will be constructed. Builder encourages Buyer to contact the local building department, health department, water management department, and environmental protection department. Please be advised that

- As required by local customs, practice or ordinance, Builder will either obtain the required building permit(s), or assist the home buyer to do so, for all work contained in the contract between Buyer and Builder.
- It is the Buyer's responsibility to obtain, if necessary, all health, water management, environmental or any other kind of permit(s) required by local custom, practice or ordinance in the area where the House will be built.
- Builder accepts no responsibility for any building permit(s) for work not specified in the contract with Builder, or for any other kind of permit(s).

① ~~It is Buyer's responsibility to request the additional inspections as required by the building department for work done beyond that included in Buyer's contract with Builder.~~

- It is Buyer's responsibility to request the additional inspections as required by the building department for work done beyond that included in Buyer's contract with Builder.

② ~~Unless all permits have been properly issued and all necessary inspections have been completed by the building department, it is the responsibility of the Buyer to obtain occupancy of the House. Therefore, it is very important that Buyer comply with the obligations as stated in this notice.~~

Kathleen R. Green
Buyer's Signature

3-7-07

Date

[Signature]
Buyer's Signature

3-7-07

Date

MAR 26 2007

Jim Walter Homes, Inc. EXHIBIT "C"- South Carolina

NEW CONSTRUCTION INSURANCE DISCLOSURE STATEMENT

Each of the undersigned (who, whether one or more, is called the Buyer in the contract to which this Insurance Disclosure Statement is attached as an Exhibit (the "Contract")) hereby certifies to Jim Walter Homes, Inc. ("Seller") that I understand and acknowledge the following:

Seller requires Buyer to keep the House to be built under this Contract insured against damage or loss from fire, lightning, windstorm or tornado, and extended coverage ("Fire and Extended Coverage") and such other coverage as Seller may reasonably require. Buyer must maintain the required insurance coverage from the date the House is released (as that term is defined in the Limited Warranty) to Buyer by Seller until Buyer's obligations under this contract are fully discharged.

Buyer may choose the agency or company through which any required insurance is to be obtained, so long as the agency or company is authorized to do business in South Carolina. Buyer has the option of providing the required insurance through an existing policy or a policy independently obtained and paid for by the Buyer, or applying for insurance coverage through Best Insurors, Inc.

THE REQUIRED INSURANCE COVERAGE MUST INSURE THE HOUSE TO THE EXTENT OF THE LESSER OF THE ACTUAL CASH VALUE OF THE HOUSE OR THE INDEBTEDNESS SECURED BY THE MORTGAGE.

IF FIRE AND EXTENDED COVERAGE IN THE AMOUNT OF THE CASH PRICE OF THE HOUSE IS OBTAINED THROUGH BEST INSURORS, INC. THE INITIAL ANNUAL PREMIUM IS ESTIMATED TO BE BETWEEN \$ 367.00 AND \$ 367.00 FOR THE ONE-YEAR TERM OF THE POLICY. SELLER IS UNABLE TO PROVIDE THE EXACT AMOUNT OF THE PREMIUM AT THIS TIME BECAUSE IT IS BASED ON UNIFORM RATING FACTORS WHICH ARE NOT CURRENTLY KNOWN TO US BUT WHICH ARE USED BY BEST INSURORS, INC. IN SOUTH CAROLINA IN CALCULATING THE AMOUNT OF THE PREMIUM TO BE CHARGED. Seller is unable to advise Buyer of the premium if the required insurance is not obtained through Best Insurors, Inc.

The required policies shall contain a clause making the proceeds payable to the Seller, or its assigns, to the extent of its interest in the insured property. Seller reserves the right to refuse to accept an insurer offered by Buyer if the policy is not in the form or amount acceptable to Seller.

In the event Buyer fails to furnish an acceptable policy of insurance, premiums prepaid, or in the event Buyer fails to keep in effect the required insurance coverage, Seller shall have the right, but not the obligation, to purchase such coverage for Buyer, through or from any agency or company selected by Seller, and either add the premiums to the outstanding indebtedness or demand reimbursement, immediately or at any time thereafter from Buyer for those costs. All such advancements shall bear interest from the making thereof at the rate and under the terms and conditions set forth in the mortgage executed herewith. Seller's right to purchase such insurance coverage shall continue until Buyer delivers or causes to be delivered to Seller, or its assigns, at P.O. Box 31601, Tampa, Florida 33631-3601 an insurance policy or policies providing the required insurance coverage together with satisfactory evidence of payment therefor, or until Buyer's indebtedness is fully discharged, whichever occurs first. Seller's exercise of this right with respect to any particular policy year or succession or combination of policy years shall not be deemed or considered a waiver by Seller of Buyer's continuing obligation to provide Buyer's own such coverage and Seller shall not, by exercising this right become thereafter obligated to notify Buyer of Seller's future election not to purchase further such coverage on Buyer's behalf.

Buyer must make all insurance premium payments, whether for insurance purchased through Best Insurors, Inc., or from another company, directly to the agency or company from which the insurance is obtained. NO PREMIUMS FOR INSURANCE ARE INCLUDED IN THIS CONTRACT NOR ARE ANY PREMIUMS PAID FOR THROUGH BUYER'S DOWN PAYMENT OR MONTHLY PAYMENT.

INITIAL THE BOX(ES) APPLICABLE TO THE ELECTION YOU MAKE:

☒ ☐

The undersigned Buyer elects to obtain the insurance through Best Insurors, Inc.

☐ ☐

The undersigned Buyer elects to furnish the required insurance through an insurance company other than Best Insurors, Inc.

Furthermore, Buyer certifies to Seller that I understand and acknowledge the following:

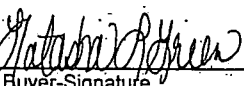
- That the Contract to have Seller build a House for me and the mortgage (hereafter the "Security Instrument") I am signing with the Contract requires me to maintain continuous insurance coverage against damage or loss to my House from fire, lightning, windstorm and extended coverage in an amount at least sufficient to protect Seller's financial interest in my House until such time as I have fully paid Seller for my House.
- That I must provide proof of the required insurance coverage to Seller from the date the House is released to me/us by Seller and that all renewal policies thereafter must be provided to Seller thirty (30) days prior to the expiration of the current policy.
- That if I fail to provide such insurance coverage, I will be in default of my obligations under the Contract, which could subject me, at the option of Seller, to the remedies for breach of contract.
- That the insurance coverage required under my Contract and Security Instrument is limited to a Fire and Extended Coverage policy. This type of policy will only insure against damage done to my House itself as a result of an insurable event. It does not include protection for damage to the contents of my House or for any liability I may have as a homeowner for personal injuries to other people, both of which are coverages provided by a "Homeowners" policy.
- That Best Insurors, Inc. ("Best") offers, as disclosed in the Contract, insurance coverage that meets the requirements under the Contract and Security Instrument. Best is a Florida corporation affiliated with Seller by common ownership. Best has an established relationship with a licensed insurance agent domiciled in my state.
- That I have the right to obtain insurance coverage beyond the insurance required by the Contract and the Security Instrument; that it will be in my best interest to contact an insurance agent, broker or advisor about the amount and type of policy that would be appropriate for my insurance needs; that I may contact any agent, broker or company I wish in order to obtain the insurance coverage I want at the most competitive price; that I may choose the agency, broker or company through which the required insurance is obtained, provided the agency, broker or company is authorized to do business in my state; and that I may provide the required insurance coverage either through an existing policy or a new policy that I purchase independently.

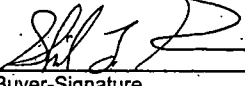
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- That the required insurance policy must contain a clause making the proceeds of such insurance payable to Seller, or its assigns, to the extent of Seller's financial interest in my House.
- That Seller shall have the right, at its option, either to apply such insurance proceeds to the unpaid balance of the Contract or to permit such proceeds to be used to repair any damage to my House.
- I further understand and acknowledge:
- That once Seller finishes building my House, it intends to assign my Contract and Security Instrument (together, referred to as "Account") to Mid-State Homes, Inc. ("MSH"), a company affiliated with Seller by common ownership; and that MSH will either retain or further assign my Account, but in any event will service my Account, which will include verifying that I have provided the insurance coverage required by the Contract and Security Instrument.
- That everything following the first paragraph in this Insurance Disclosure Statement which refers to Seller also applies to MSH and to any other assignee of the Contract.
- That the Contract and the Security Instrument further provide that, if I fail to deliver proof of the required insurance coverage at any time during the term of the Contract, **Seller has the right - but not the obligation - to purchase such insurance for its own protection at my expense**; this practice is commonly known as buying collateral protection insurance or "forceplacing" insurance.
- That Seller does not wish to forceplace insurance on my House; and that it is in my own best interest, for the reasons stated below, to obtain my own insurance on my House rather than have Seller forceplace insurance:
 - 1) Seller's exercise of its right to forceplace insurance with respect to any particular policy year or succession or combination of policy years does not cure my default under the Contract and Security Instrument and shall not be deemed or considered a waiver by Seller of my continuing obligation to provide my own insurance coverage, and Seller shall not, by exercising its right on one or more occasions to forceplace coverage, thereafter become obligated to notify me of its future election not to forceplace insurance coverage on my House.
 - 2) Seller presently buys its forceplaced insurance coverage through Best. I hereby authorize Seller, if I fail to provide evidence to Seller that I have obtained the required insurance coverage, to forceplace coverage through Best or any other agent or agency properly licensed to conduct business in my state.
 - 3) The coverage Seller purchases from Best is limited to a Fire and Extended Coverage policy. If I want a Homeowner's policy, I must purchase my own policy.
 - 4) If Seller forceplaces insurance on my House, the premium will be charged to me. The premium for Fire and Extended Coverage insurance will be within the range of premiums authorized by the Department of Insurance or the Insurance Commissioner of my state. However, competing insurance agencies or companies operating in my state may offer similar coverage, or Homeowners coverage, at a lower cost. If I want to obtain the most competitive price and/or the additional coverage offered by Homeowners insurance, I should look for and purchase such insurance myself.
 - 5) If Seller forceplaces insurance on my House because I fail to provide evidence that I have purchased the required insurance, Seller, at its option, will order a policy from Best to provide the required coverage. Best will send me the policy and an invoice for payment of the premium. I am expected to pay Best directly. If I fail to pay Best, Seller will pay Best directly. If Seller pays Best, I am required by the Contract and Security Instrument to fully reimburse Seller immediately for the cost of such insurance. Until I have fully reimbursed Seller, the outstanding amount of the advance made by Seller to pay the premium to Best will accrue interest (if permitted by my state's law) at the rate disclosed in the Contract.
 - 6) The insurance coverage purchased by Seller will be solely to protect its own financial interest in my House. It will not be for my protection. Consequently, if Seller forceplaces insurance, Seller will only purchase insurance in an amount needed to pay off the unpaid balance of the Contract as of the date the insurance is purchased or such lesser amount as may be provided in the Contract. This amount will include the premium for such insurance. Most likely, if insurance is forceplaced and my House is later totally destroyed by an insurable event (such as fire), all of the insurance proceeds paid by the insurance company will be paid to Seller to satisfy my Account. I will receive little, if any, of the proceeds myself. I may lose, therefore, the equity in my House and the value of all of the contents in my House. I also may be liable for any personal injuries that may occur that would normally be covered by Homeowners insurance.

I hereby authorize Seller to use and disclose to insurance agents or companies, including Best, any and all information regarding the insurance requirements contained in my Contract and Security Instrument, the balance due under my Contract, and the value of my House and any other information reasonably necessary to obtain insurance coverage.

I hereby acknowledge reading, understanding and receiving on the date indicated below a copy of this Insurance Disclosure Statement. I acknowledge that Seller and its employees and agents have not advised me about the amount of insurance I should buy or required me to purchase insurance through any particular agent, broker or company. I further acknowledge that Seller has advised me to seek assistance about my insurance needs from a licensed insurance agent or other insurance advisor. I further understand and agree that the above requirements and procedures are consistent with the terms of the Contract and Security Instrument and that Seller and its assigns are under no obligation to purchase insurance coverage for my benefit. If I have any questions about this Insurance Disclosure Statement or any other matter relating to the Contract, I understand that I can telephone, toll-free, 1-800-925-8374 for assistance.

03/07/2007 
Date Buyer-Signature

03/07/2007 
Date Buyer-Signature

Natasha L. Green
PRINTED NAME

Shilon L. Green
PRINTED NAME

EXHIBIT "D"
ARBITRATION AGREEMENT

The parties agree that any controversy (whether asserted as an original claim, counterclaim, cross claim or otherwise) arising out of or relating to this Agreement, or the breach thereof, or any negotiations leading up to the making of this Agreement, or any extensions of credit related to this Agreement, or the House that is the subject of this Agreement, or any insurance sold under or in connection with this Agreement, or any relationship resulting from any of the foregoing, whether asserted in tort, contract or warranty, or as a federal or state statutory claim, and whether arising before, during or after performance of this Agreement, shall be settled under this Arbitration Agreement in accordance with the procedures specified below. This Arbitration Agreement shall encompass and govern not only all controversies between Buyer and Seller, but also all controversies between Buyer and Seller and/or assigns, affiliates and present and former agents or employees of either Buyer or Seller.

The parties agree that as a condition precedent to either party instituting an arbitration proceeding and/or making a demand for arbitration pursuant to the procedures outlined herein, the party seeking arbitration will first notify the other, in writing, of the nature of the claim and/or dispute and then each party shall use their best efforts to resolve the dispute to each of their mutual satisfaction. If the parties cannot resolve the dispute by mutual agreement within fourteen (14) days of the written notice, then the parties agree to submit the dispute to non-binding mediation, the cost of which will be borne solely by Seller or its assign. The parties shall, in good faith, attempt to agree on the selection of a disinterested third party to act as mediator. In the event the parties cannot agree on the selection of a mediator, they agree to allow the Bar Association of the state in which this contract is entered into to select an individual from its approved panel of neutrals. If the Bar Association fails or refuses to select a mediator for the parties, they agree that the presiding judge of the state court of general jurisdiction sitting in the county in which the branch office of Seller that sold the House that is the subject of this Agreement is situated, may select the individual to serve as mediator.

In the event and only after the parties have been unable to resolve their disputes and/or claims through private negotiations and mediation, shall a party be entitled to institute an arbitration proceeding pursuant to the following procedures. The parties, as with the mediation process, shall, in good faith, attempt to agree on the selection of one individual to serve as the arbitrator. If the parties cannot agree on the selection of the arbitrator, then the arbitrator shall be selected in accordance with the rules of United States Arbitration and Mediation (USA&M) in effect as of June 30, 2003. Any arbitration hereunder shall be conducted pursuant to the rules of USA&M in effect as of June 30, 2003. Copies of rules may be obtained by contacting the Warranty/Customer Service Department, P.O. Box 31601, Tampa, Florida 33631-3601. USA&M is not a party to this Agreement and does not have the authority to alter, amend and/or change the procedures and/or rules set forth herein without the written consent of all parties hereto. To the extent USA&M changes and/or modifies its rules of June 30, 2003 and the parties to this Agreement do not provide their written consent to be bound by said changes and/or modifications and USA&M refuses to administer an arbitration hereunder, the parties to this Agreement agree that USA&M can be replaced with a substitute association to be selected by the presiding judge of the state court of general jurisdiction in the county in which the branch office of Seller that sold the House that is the subject of this Agreement is located. The parties to this Agreement acknowledge that the selection of USA&M and its rules and/or procedures is not an essential and/or material term of this Agreement and any issues relating thereto shall not be grounds to otherwise avoid and/or override the parties' expressed intent to arbitrate - rather than litigate - the disputes and/or claims covered by this Agreement.

Any dispute regarding whether a particular controversy is subject to arbitration, including, but not limited to claims contesting the making, existence, enforceability, scope or conscionability of this Arbitration Agreement, shall be decided by the arbitrator.

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EXHIBIT "D"

The parties agree that each party may take no more than two (2) depositions without the express written approval of the arbitrator. All controversies or claims will be decided on an individual (non-class) basis, and the claims of other parties will not be consolidated with or heard along with the claims of Buyer or Seller. Notwithstanding any rule to the contrary, to the extent permitted by applicable law, the arbitrator shall not have the power or authority to award any relief on a class-wide basis. The arbitrator shall award the relief, if any, that a court of competent jurisdiction could properly award under the facts and the applicable law (including punitive damages, attorney's fees and other costs, if allowed by applicable law or by Agreement). All defenses and privileges that would be available in a court proceeding will likewise be available in the arbitration. The provisions of this Arbitration Agreement to arbitrate disputes and any award of the arbitrator may be enforced by any court of competent jurisdiction. If either party refuses to arbitrate and the other party files suit to compel arbitration the party at whose request enforcement is ordered will be entitled to an award of all costs, fees and expenses, including a reasonable attorney's fee incurred in compelling arbitration, to be paid by the party against whom enforcement is ordered. The arbitration shall be conducted in the office of the arbitrator or such other location as may be agreed upon by the parties or designated by the arbitrator. The cost of the arbitration will be divided equally among the parties to the arbitration. Except as otherwise provided in this Arbitration Agreement or by the arbitration rules selected herein, the parties will bear their own expenses and attorney's fees. Upon Buyer's written request demonstrating financial hardship or upon a finding by the arbitrator that there is financial hardship, Seller may, solely in its discretion, pay or advance all or part of the cost of the arbitration. The parties agree that this provision in no way imposes any duty upon the Seller to determine the financial ability of the Buyer.

Buyer acknowledges that Seller is a Florida corporation with its principal place of business in the State of Florida. The parties acknowledge and contemplate at the time of the execution of this Agreement that some or all of its materials, fixtures and equipment, as well as the source of financing contemplated by this Agreement, will be purchased, received or have their origin from sources outside the state where the House is to be constructed. The parties contemplate that through the performance of this Agreement substantial interstate activity will occur and is affected thereby.

Notwithstanding the foregoing, should a combined controversy otherwise subject to the terms of this Arbitration Agreement seek relief in an aggregate amount not exceeding \$1500.00, the parties shall retain the election to seek relief from a court of competent jurisdiction. The intent of this election is to limit arbitration to claims that could not reasonably and legitimately be characterized as "small claims" defined as claims involving in the aggregate less than \$1500.00 in controversy. Further, notwithstanding the foregoing, Seller and its assigns retain the option to use judicial or non-judicial relief to seek such remedies as (i) foreclosure and ejectment granted to Seller or its successors and assigns in the mortgage or under applicable law, (ii) suits to establish or quiet title to any property covered by the mortgage, and (iii) suits to establish or enforce equitable liens. The institution and maintenance of an action for judicial relief in accordance with the preceding sentence shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Agreement, including any counterclaim filed in a suit brought by Seller, or its assigns, pursuant to this provision.

This Agreement to arbitrate disputes will survive payment in full of any promissory note or other debt and satisfaction of mortgage or other security lien. The terms of this Agreement control over any inconsistent rules and/or procedures of USA&M currently in effect or hereinafter adopted.

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EXHIBIT "D"

NOTICE: Seller and Buyer hereby knowingly and voluntarily waive the right to trial by jury of any controversy between them that is covered by this Arbitration Agreement. Buyer acknowledges that he/she/they are waiving their right to a trial by jury that may otherwise exist by executing this Agreement.

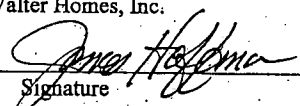
By signing the space below, you are agreeing to have all controversies described in this Arbitration Agreement decided by binding arbitration, and you are giving up any rights you might possess to have those matters litigated by a jury trial or in a court, except to the extent specifically provided for under this Agreement. By signing in the space below you are giving up your judicial rights to discovery and appeal except to the extent that they are specifically provided for under this Agreement. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under federal or state law. By signing in the space below, you are acknowledging that your agreement to this arbitration provision is voluntary and freely given.

To the extent any provision of this Agreement is declared to be unenforceable, such provision(s) is to be severed from the other provisions hereto and said remaining provisions shall remain in full force and effect.

I/We have read and understand that foregoing, waive our right to a jury trial, and agree to submission of all controversies to binding arbitration in accordance with this Arbitration Agreement.

Seller:

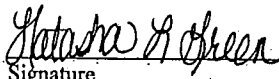
Jim Walter Homes, Inc.

BY: 

Signature

Date: 03/07/2007

Buyer:



Signature

Natasha L. Green

Printed Name

03/07/2007

Date



Signature

Shilon L. Green

Printed Name

03/07/2007

Date

**SOUTH CAROLINA
FINANCING AGREEMENT**

JIM WALTER HOMES, INC.

011

THIS AGREEMENT made this 7 th day of MARCH, 2007
between Natasha L Green & Shilon L Green
hereinafter referred to as "Buyer",
whose address is 927 S. Eleventh St, McBee, SC, 29101
and JIM WALTER HOMES, Inc., a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard., Tampa,
Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller."

WITNESSETH:

1. Description of Property. Seller agrees to build a house as set forth in that certain Construction Agreement, and including the plans and specifications and Exhibits "A, B, C, and D" according to the standards as set forth in the Limited Warranty (the "House"), all of which are incorporated herein by reference, on the property of Buyer, located at: 401 Union Church Road, McBee, SC and having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT

ANNUAL PERCENTAGE RATE The cost of your credit at a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	AMOUNT FINANCED The amount of credit provided to you or on your behalf.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled (not including any down payment).	TOTAL SALES PRICE The total cost of your purchase on credit, including your down payment of
11.00 %	\$ 299,490.00	\$ 123,330.00	\$ 422,820.00	\$ 0.00
Your payment schedule will be:				
NUMBER OF PAYMENTS	AMOUNT OF EACH PAYMENT	WHEN PAYMENTS ARE DUE		
360	1,174.50	monthly, beginning the 5th day of the month following the 45th day after release of the House to the Buyer.		
You may obtain property insurance from anyone you want that is acceptable to Creditor. If you get insurance through Best Insurors, Inc. your annual premium is estimated to be \$ <u>367.00</u> for the one year term of the policy. Security: You are giving a security interest in real property together with all improvements now or hereafter placed on the property located at: Street address or Rural Route: <u>401 Union Church Road</u> City <u>McBee</u> State <u>SC</u> Late Charge: If a payment is late, you will be charged \$14.50 or 5% of the unpaid portion of the installment in default, whichever is less. Prepayment: If you pay off early, you will not have to pay a penalty and you will be entitled to a refund of part of the Finance Charge. Assumption: This indebtedness cannot be assumed. An itemization of the amount financed is provided below. See the remainder of this contract and the documents signed in conjunction with it for any additional information about nonpayment, default, any required payment in full before the scheduled date, and prepayment refunds and penalties.				
Cash Price \$ 123,330.00		Itemization of Amount Financed: Less Down Payment of \$ 0.00 Amount Financed \$ 123,330.00		

2. Time Price; Payment. Buyer acknowledges that Buyer has been offered the opportunity to pay for the House in full immediately upon its completion, in which case Buyer would pay a cash price of \$ 123,330.00. However, Buyer has made a down payment of \$ 0.00 and has elected and agrees to purchase the House on credit over time for a Time Price of \$ 422,820.00 which includes a Finance Charge of \$ 299,490.00 calculated at an Annual Percentage Rate of 11.00 % per annum. The Finance Charge begins to accrue thirty (30) days prior to the due date of the first scheduled installment.

The due date of the first scheduled installment will be determined with reference to the date of Seller's completion or substantial completion of its construction obligations hereunder. Substantial completion occurs when Seller determines that it has performed its obligations as set forth in the contract with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate" and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items; and such remaining items will not prevent Buyer from preparing the House for occupancy. Once Seller has completed or substantially completed its construction obligations hereunder, it will "release" the House (as that term is defined in the Limited Warranty) to Buyer and notify Buyer of said release by mailing or otherwise delivering to Buyer to or at the address designated by Buyer a Completion Notice (which will contain the Payment Commencement Date). The Payment Commencement Date will be on the 5th day of the month following the 45th day after said release of the House to Buyer. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

Note - Weather conditions existing at the time of construction may cause Seller to delay the painting of the exterior of the House for a period of time. Furthermore, a Buyer may elect to do interior work which must be completed prior to other items being installed by Seller. This could prevent Seller from completing items for an indefinite period of time until Buyer completes Buyer's own work. The failure of Seller to have completed these items shall have no bearing on Seller's ability to release the substantially completed House to Buyer prior to such completion, nor shall it relieve Buyer from Buyer's obligation set forth in this Financing Agreement and in the promissory note and/or mortgage executed in conjunction herewith to commence Buyer's regular monthly payments.

3. Insurance. Seller requires Buyer to keep the House to be built under this contract insured against damage or loss from fire, lightning, windstorm or tornado, and extended coverage and such other coverage as Seller may reasonably require. Buyer must maintain the required insurance coverage from the date the House is released to Buyer by Seller until Buyer's obligations under this contract are fully discharged. IN CONNECTION WITH THE FOREGOING ELECTION, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE INSURANCE DISCLOSURES SET FORTH IN EXHIBIT "C" ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

4. No Oral Representations; Arbitration. This instrument and the other instruments signed in connection with this transaction (including a Limited Warranty) contain the price and all the terms and conditions agreed upon by Buyer and Seller, and no statement, representation or promise not set forth in this contract, or any of the other said instruments, has been made to induce either party to enter into this transaction. IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.

5. Title to the Property. Buyer warrants that Buyer owns the property described herein free and clear of all liens and encumbrances. In the event a full or complete legal description of the land upon which the House is to be built is unknown or unavailable to the parties at the time of execution hereof, Buyer agrees that the full or complete description of said land may be subsequently obtained and inserted by Seller in this document and such other documents executed in conjunction with this transaction which require a legal description and any such completion or correction of the description shall be effective as of the execution hereof.

6. Security Interest in the Property. Buyer agrees to execute and deliver to Seller a promissory note evidencing the amount of indebtedness hereunder and to execute and deliver a mortgage covering the real property described in Paragraph 1, together with all buildings (including the House to be built hereunder), structures and improvements now or hereafter located on said real property securing the payment of the indebtedness hereunder, all of the terms of which promissory note and mortgage are incorporated herein by this reference. Said promissory note and mortgage shall be on forms supplied by Seller. The mortgage shall provide that the holder may (but shall not be obligated to do so) advance moneys that should have been paid by Buyer in order to protect the lien or security of the mortgage, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security of the mortgage such as repairs, necessary improvements or attorney's fees advanced to this end and the Buyer agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in this Financing Agreement, and shall be considered as so much additional indebtedness secured thereby; but no payment by the holder of any such moneys shall be deemed a waiver of the holder's right to declare the principal sum due under the mortgage by reason of the default or violation of Buyer in any of Buyer's covenants thereunder.

7. Prepayment. Buyer may prepay in full all sums remaining unpaid under this contract at any time, and upon prepayment, Buyer shall receive a credit for all unearned charges, including a credit for the unearned Finance Charge computed pursuant to the Actuarial Method.

8. Late Fee. For each installment not paid in full within fifteen (15) days of its scheduled due date, Buyer will be charged Fourteen Dollars and fifteen cents (\$14.50) or five percent (5%) of the unpaid portion of the installment in default, whichever is less, provided that only one late charge will be charged on any installment, regardless of the period during which it remains in default.

9. Insufficient Funds Charge. If any check tendered to Seller or its assigns by Buyer hereunder is not paid upon presentation or is dishonored by the bank or depository institution upon which it is drawn, Buyer agrees to pay Seller a returned check charge of Twenty Dollars (\$20.00), which charge, if incurred by Seller shall be considered additional indebtedness secured by the mortgage.

10. Cancellation. In the event an unsatisfactory report of Buyer's credit or any other information unsatisfactory to Seller is received prior to beginning the construction of the House, Seller, at its option, may within ten (10) days thereafter, cancel this agreement upon returning to Buyer any payments or deposits. All provisions of this contract are subject to approval by an authorized representative of Jim Walter Homes, Inc.

11. Indemnification: Location of House on Property. In the event the House is constructed in a manner or at a location so as to be not entirely located upon the above-described property or the above-described property is not wholly owned by Buyer, Buyer agrees (1) to indemnify Seller for and hold Seller harmless from any and all damages, losses, judgments, expenses, costs, attorneys' fees (which attorneys are to be selected at Seller's sole discretion) and litigation expenses arising from resolving or litigating the circumstances or issues resulting from the House being located partially or wholly upon the wrong property, the payment of all of which sums shall be secured by the House and all other property made the subject of Seller's liens; (2) that the above-described property and the liens of Seller shall also include and encompass any property of Buyer, whether now owned or hereafter acquired, upon which the House is actually located together with such additional property as is reasonably necessary, including up to fifty (50) feet in any direction from the House, as well as reasonable ingress and egress thereto; and/or (3) that Seller may, at Buyer's expense, purchase property at an alternative location (Seller to make a good faith effort to select property as geographically proximate to the improper location as reasonable under the circumstances), move the House to said location, and attach the Seller's liens to the House and property at said alternative location (selected at Seller's sole discretion).

12. Assignment. Seller may assign its interest in this contract and this contract shall be binding upon and inure to the benefit of the assigns and successors of the Seller.

13. Assumption. Buyer's indebtedness hereunder may not be assumed by any subsequent purchaser of the House.

14. Attorneys' Fees. In the event the promissory note executed in conjunction with this transaction is placed in the hands of an attorney, not a salaried employee of Seller, for collection, by suit or otherwise, or to enforce their collection by foreclosure or to protect the security for their payment, the Buyer will pay all costs of collection and litigation, together with reasonable attorneys' fees not exceeding fifteen percent (15%) of the unpaid debt after default and the same shall be a lien on the premises the subject of this transaction and enforced by a sale of the property as in the mortgage and herein provided.

15. Acceleration Upon Default. In the event Buyer fails to perform any obligation in this contract, or in the Construction Agreement or in said promissory note or mortgage, the Seller may, at Seller's option, declare all sums remaining unpaid hereunder immediately due and payable. In the event of such acceleration, Buyer shall receive a credit for any unearned Finance Charge, computed pursuant to the "Actuarial Method" to the nearest scheduled payment date. Any failure to exercise said option of acceleration shall not constitute a waiver of the right to exercise the same at any other time.

16. Enforceability. Should any provision of this Financing Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

17. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (I) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (II) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

18. Governing Law. This Financing Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

NOTICE:

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE BUYER COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE BUYER SHALL NOT EXCEED AMOUNTS PAID BY THE BUYER HEREUNDER.

NOTICE TO THE BUYER: DO NOT SIGN THIS BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. THE BUYER ACKNOWLEDGES THAT BUYER HAD THE ELECTION OF PURCHASING EITHER FOR CASH OR UPON A TIME PRICE BASIS AND HAS ELECTED TO PURCHASE ON THE TIME PRICE BASIS.

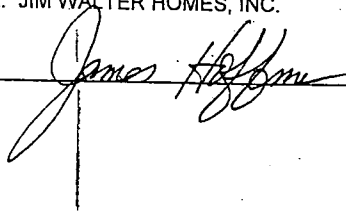
THE BUYER ACKNOWLEDGES THAT BUYER RECEIVED A COPY OF THIS AGREEMENT AND THAT BEFORE SIGNING THE SAME, THE CONTRACT CONTAINED THE ENTIRE TERMS AND ALL BLANK SPACES HAD BEEN FILLED IN PRIOR TO THE SIGNING OF THE SAME.

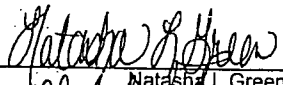
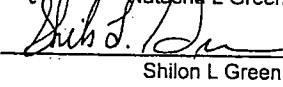
IN WITNESS WHEREOF, the Buyer(s) and Seller have executed this contract on the day and year first above written.

SELLER: JIM WALTER HOMES, INC.

BUYER(S):

BY:




Natasha L. Green

Shilon L. Green

(SEAL)

(SEAL)

Mortgage -- South Carolina -- Jim Walter Homes, Inc.

STATE OF SOUTH CAROLINA
COUNTY OF CHESTERFIELD

WHEREAS, Natasha L Green & Shilon L Green, Husband & Wife
whose residential address is 927 S. Eleventh St., McBee, SC, 29101
hereinafter called the Mortgagor, are well and truly indebted to JIM WALTER HOMES, INC., whose principal place of business is
4211 W. Boy Scout Blvd, Tampa, Florida 33607, hereinafter called the Mortgagee, in the full and just sum of
Four Hundred Twenty-two Thousand Eight Hundred Twenty and Xx / 100 Dollars, (\$ 422,820.00),
evidenced by a certain promissory note in writing of even date herewith, which note is made a part hereof and herein incorporated by
reference, payable in 360 monthly installments of One Thousand One Hundred Seventy-four and 50 / 100
Dollars (\$ 1,174.50) each, the first installment to become due and payable on the "Payment Commencement Date"
as set forth in the Completion Notice to be mailed or delivered by Jim Walter Homes, Inc., to the undersigned upon "release" (as that
term is defined in the Limited Warranty) of the House by Jim Walter Homes, Inc., and one installment to become due on the same day
of each succeeding month until payment in full. If not sooner paid, the entire outstanding indebtedness shall be due and payable 360
months from the Payment Commencement Date, which in any event shall be on or before the 5th day of September, 2037.

NOW, KNOW ALL MEN, That the said Mortgagor, in consideration of the said debt and sum of money aforesaid, and for better
securing the payment thereof, according to the terms and tenor of said note, and also in consideration of THREE (\$3.00) DOLLARS to
them in hand well and truly paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged,
have granted, bargained, sold and released, and by these presents do grant, bargain, sell and release unto the said Mortgagee, all that
tract or lot of land lying, being and situated in Chesterfield County, State of South Carolina and
described as follows, to-wit:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

TOGETHER WITH all and singular the ways, easements, riparian and other rights, and all tenements, hereditaments and
appurtenances, thereunto belonging or in anywise appertaining, and all buildings, structures and other improvements now on said land
or that hereafter may be erected or placed thereon, and all fixtures attached thereto and all rents, income, issues and profits accruing
and to accrue therefrom.

TO HAVE AND TO HOLD the above described property unto Mortgagee, its successors and assigns forever.

Mortgagor hereby covenants with Mortgagee that Mortgagor is indefeasibly seized with the absolute and fee simple title to said
property; that Mortgagor has full power and lawful authority to sell, convey, assign, transfer and mortgage the same; that it shall be
lawful for Mortgagee at any time hereafter peaceably and quietly to enter upon, have, hold and enjoy said property and every part
thereof; that said property is free and discharged from all liens, encumbrances and claims of every kind, including all taxes and
assessments; that Mortgagee will, at Mortgagor's own expense, make such other and further instruments and assurances to vest
absolute and fee simple title to said property in Mortgagee that may be requested by Mortgagee, and that Mortgagor will, and his heirs,
legal representatives and successors shall, warrant and defend the title to said property unto Mortgagee against the lawful claims and
demands of all persons whomsoever.

PROVIDED ALWAYS, and these presents are upon these express conditions, that if the said Mortgagor shall promptly, well and
truly pay to the Mortgagee the said debt or sum of money aforesaid, according to the true intent and tenor of said note, and until full
payment thereof, or any extensions or renewals thereof in whole or in part, the payment of all other indebtedness or liability that may
become due and owing hereunder and secured hereby, shall faithfully and promptly comply with and perform each and every other
covenant and provision herein on the part of the Mortgagor to be complied with and performed, then this deed of bargain and sale shall
cease, determine, and be utterly void; otherwise to remain in full force and virtue.

SLG
Initials

And Mortgagor hereby covenants follows:

To keep the buildings, structures and other improvements now or hereafter erected or placed on the premises insured in an amount not less than the replacement cost of the house or the indebtedness secured by this Mortgage against all loss or damage by fire, windstorm, tornado and extended coverage as may be required by the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear; to deposit with the Mortgagee policies with standard mortgagee clause, without contribution, evidencing such insurance; to keep said premises and all improvements thereon in first class condition and repair. In case of loss, Mortgagee is hereby authorized to adjust and settle any claim under any such policy and Mortgagee is authorized to collect and receipt for any such insurance money and to apply the same, at Mortgagee's option, in reduction of the indebtedness hereby secured, whether due or not, or to allow Mortgagor to use such insurance money, or any part thereof, in repairing the damage or restoring the improvements or other property without affecting the lien hereof for the full amount secured hereby.

In the event said premises are condemned, the proceeds of any condemnation award shall be paid to and are assigned to Mortgagee.

It is further covenanted that the Mortgagee may (but shall not be obligated to do so) advance moneys that should have been paid by Mortgagor hereunder in order to protect the lien or security hereof, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security hereunder such as repairs, necessary improvements or attorney's fees advanced to this end and Mortgagor agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in the Financing Agreement of even date herewith between Jim Walter Homes, Inc. and the Mortgagor, and shall be considered as so much additional indebtedness secured hereby; but no payment by Mortgagee of any such moneys shall be deemed a waiver of Mortgagee's right to declare the principal sum due hereunder by reason of the default or violation of Mortgagor in any of Mortgagor's covenants hereunder.

Mortgagor further covenants that granting any extension or extensions of the time payment of any part or all of the total indebtedness or liability secured hereby, or taking other or additional security for payment thereof, shall not affect this mortgage or the rights of Mortgagee hereunder, or operate as a release from any liability upon any part of the indebtedness hereby secured, under Mortgagor's covenant herein contained.

If any check tendered to Mortgagee or its assigns by Mortgagor hereunder is not paid upon presentation or is dishonored by the bank or depository institution upon which it is drawn, Mortgagor agrees to pay Mortgagee a returned check charge of \$20.00, which charge, if incurred by the undersigned, shall be considered additional indebtedness secured hereunder.

It is further covenanted and made of the essence hereof that in case of default for thirty days in the performance of any of the covenants herein on the part of the Mortgagor, then it shall be optional with Mortgagee to consider all unmatured indebtedness or liability secured hereby, and accrued interest thereon, as immediately due and payable, and Mortgagee shall have the right forthwith to institute proceedings to enforce the collection of all moneys secured hereby or to foreclose the lien hereof.

It is further stipulated and agreed by and between the parties that the Mortgagee shall have the right to exercise any option or privilege herein given or reserved and to enforce any duty of the Mortgagor at any time without further or other notice regardless of any prior waiver by Mortgagee or default of Mortgagor or delay by Mortgagee in exercising any right, option, or privilege or enforcing such duty of Mortgagor, and no waiver by Mortgagor, and no waiver by Mortgagee of default of Mortgagor nor delay of Mortgagee in exercising any right, privilege or option or in enforcing any duty of Mortgagor shall be deemed, held, or construed to be a waiver of any of the terms or provisions of this mortgage or of any subsequent default.

The Mortgagor waives all right to homestead exemption in said property. If any action or proceeding is commenced which materially affects the Mortgagee's interest in the property, including but not limited to, eminent domain, insolvency, code enforcements, bankruptcies, an action by a junior lienholder, or any other similar actions or proceedings, then the Mortgagee at its own option upon notice to the Mortgagor may make such appearances, disburse such sums and take such action as is necessary to protect the Mortgagee's interest and Mortgagor agrees to pay all costs including but not limited to, disbursement of reasonable attorney's fees not exceeding fifteen percent (15%) of the unpaid debt and the costs of the action.

IN WITNESS WHEREOF, we have hereunto set our hand and seal this 7th day of MARCH, A.D. 2007.

Signed, Sealed and Delivered in the presence of:

Natasha L. Green (SEAL)
Natasha L. Green

1st Subscribing Witness

Shilon L. Green (SEAL)
Shilon L. Green

2nd Subscribing Witness

(SEAL)

STATE OF SOUTH CAROLINA

COUNTY OF _____

I, _____, Notary Public for the State of _____, do hereby certify that _____ and _____
(name of Mortgagors)

personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal this _____ day of _____,

(SEAL)
Commission Expires: _____

**NON-NEGOTIABLE PROMISSORY NOTE- SOUTH CAROLINA
JIM WALTER HOMES, INC.**

\$ 422,820.00

March 07, 2007

For value received, I, we, or either of us, promise to pay to JIM WALTER HOMES, INC., at the office of said payee, P.O. Box 31601, Tampa, Florida 33631-3601, or at such other place as the holder hereof may designate in writing, the sum of Four Hundred Twenty-two Thousand Eight Hundred Twenty and Xx / 100 Dollars (\$ 422,820.00) in 360 equal monthly installments of One Thousand One Hundred Seventy-four and 50 / 100 Dollars (\$ 1,174.50) each, the first installment to become due and payable on the "Payment Commencement Date" as set forth in the Completion Notice to be mailed or delivered by Jim Walter Homes, Inc., to the undersigned upon "release" (as that term is defined in the Limited Warranty) of the House by Jim Walter Homes, Inc., and one installment to become due on the same day of each succeeding month until payment in full. If not sooner paid, the entire outstanding indebtedness shall be due and payable 360 months from the Payment Commencement Date, which in any event shall be on or before the 5th day of September, 2037.

It is agreed that time is of the essence of this note and that in the event of default in payment of any installment for a period of thirty days, the holder of this note may, at its option, after first deducting therefrom any precomputed but unearned Finance Charges, declare all of the remainder of said debt immediately due and collectible and any failure to exercise said option shall not constitute a waiver of the right to exercise the same at any other time. Unless otherwise prohibited by law and acknowledging the payee's right to object to any bankruptcy plan, if I, we, or either of us should file for relief under the United States Bankruptcy Code and request that past due payments on this note be included in a bankruptcy plan, I, we or either of us agree to pay interest on the past due amount/arrearages, until paid in full, at the rate of ten percent (10%) per annum.

In the event of such acceleration, the undersigned shall receive a credit for any unearned Finance Charge computed pursuant to the "Actuarial Method". In the event of default in payment of this note and if the same is placed in the hands of an attorney, not a salaried employee of the holder, for collection, I, we, or either of us, agree to pay all costs of such collection, including a reasonable attorney's fee not to exceed fifteen percent (15%) of the unpaid debt after default.

Furthermore, pursuant to the terms, conditions and covenants of the mortgage of even date, securing the payment of this note, the holder may (but shall not be obligated to do so) advance moneys that should have been paid by the undersigned in order to protect the lien or security of the mortgage, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security of the mortgage such as repairs, necessary improvements or attorney's fees advanced to this end and the undersigned agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in the Financing Agreement of even date herewith between Jim Walter Homes, Inc. and the undersigned, and shall be considered as so much additional indebtedness secured thereby; but no payment by holder of any such moneys shall be deemed a waiver of holder's right to declare the principal sum due under the mortgage by reason of the default or violation of the undersigned in any of his covenants thereunder.

I, we and each of us, whether principal, surety, guarantor, endorser or other party hereto, agree to be jointly and severally bound. I, or we, each further waive demand, protest and notice of demand, protest, and non-payment and agree that extensions of time for payment may be granted by the holder hereof without notice.

For each installment not paid in full within fifteen (15) days of its scheduled due date, the undersigned will be charged \$14.50 or five percent (5%) of the unpaid amount of the installment in default, whichever is less.

If any check tendered to holder or its assigns by the undersigned is not paid upon presentation or is dishonored by the bank depository institution upon which it is drawn, the undersigned agrees to pay holder a returned check charge of \$20.00, which charge, if incurred by the undersigned, shall be considered additional indebtedness secured by the mortgage.

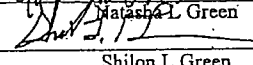
The undersigned may pay in advance any amount remaining unpaid hereunder, and upon prepayment shall receive a credit for any unearned Finance Charge computed pursuant to the "Actuarial Method."

This note is subject to the terms of a Mortgage of even date herewith executed by the makers hereof as Mortgagor to the payee hereof as Mortgagee encumbering property in Chesterfield County, South Carolina, and more particularly described therein.

NOTICE

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

Given under the hand and seal of each party.

 SEAL
 SEAL
 _____ SEAL
 _____ SEAL

THIS NOTE IS NON-NEGOTIABLE



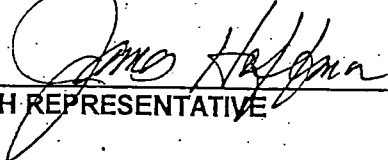
Jim Walter HOMES

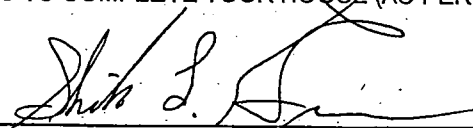
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2443 West Lucas Street, Florence, SC 29501
TELEPHONE: 1-800-283-6551 FAX: 1-843-673-1771

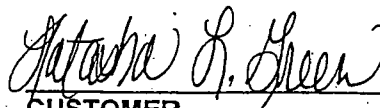
CUSTOMER RESPONSIBILITIES

1. THE DESIRED LOCATION OF THE HOME MUST BE STAKED (BY OWNER). THE CITY OR COUNTY SETBACKS MAY AFFECT THE CHOSEN LOCATION, BUT ANY CHANGES WILL BE DISCUSSED BEFORE CONSTRUCTION BEGINS.
2. THE SITE LOCATION MUST BE LEVELED AND CLEAR OF STUMPS, GRASS & ALL OTHER VEGETATION. GOOD CLEAR ACCESS MUST BE PROVIDED INTO THE JOB SITE. THIS MAY REQUIRE ENTRANCE & DRIVEWAY IMPROVEMENTS.
3. WATER MUST BE AVAILABLE FOR CONSTRUCTION OF FOUNDATION.
4. OUR FOUNDATION PRICES ARE CALCULATED ON LEVEL LOTS. IF THE SLOPE OF YOUR LOT REQUIRES ADDITIONAL BLOCK, WE WILL INSTALL THE EXTRA BLOCK AT AN ADDITIONAL COST TO YOU.
5. THE SEWER & WATER IS STUBBED OUT 3 FEET FROM THE HOUSE, AS PER THE CUSTOMERS CHOICE INDICATED ON PRINT. CONNECTIONS MADE TO SEPTIC AND/OR WELL ARE THE RESPONSIBILITY OF THE OWNER.
6. BEFORE A CUSTOMER CAN PERFORM ANY WORK ON THE HOUSE, A TENDER ACKNOWLEDGEMENT OR COMPLETION SLIP MUST BE SIGNED. THIS WILL ENABLE THE CUSTOMER TO RECEIVE THEIR KEYS & ALSO BE NOTIFIED WHEN FIRST PAYMENT WILL BE DUE.
7. THE CUSTOMER IS RESPONSIBLE FOR PROVIDING ELECTRICITY TO THE JOB SITE FOR THE CONSTRUCTION OF THE HOME. A TEMPORARY POWER POLE WILL BE REQUIRED BY COUNTY CODE TO BE INSTALLED BY A QUALIFIED LICENSED ELECTRICIAN OF YOUR CHOICE UNLESS PAID FOR ON THE CONTRACT WITH JIM WALTER HOMES.
8. BACKFILL OF OUTSIDE FOUNDATION AND ANY LOCAL REQUIREMENTS FOR FOUNDATION CODING OR DRAINAGE ARE THE RESPONSIBILITY OF THE CUSTOMER.
9. REMOVAL OF CONSTRUCTION DEBRIS UPON COMPLETION OF THE PROJECT IS THE CUSTOMERS RESPONSIBILITY.
10. ELECTRICAL SERVICE CONNECTIONS BOTH TEMPORARY (SAW SERVICE) AND PERMANENT ARE THE CUSTOMERS RESPONSIBILITY.
11. CHANGES CANNOT BE MADE AFTER THE HOUSE IS UNDER CONSTRUCTION (FOOTINGS INSTALLED).
12. THE FINAL BUILDING INSPECTION IS NOT A CONSIDERATION FOR TENDERING THE HOUSE. SCHEDULING OF FINAL INSPECTION IS THE CUSTOMER RESPONSIBILITY UNLESS OTHERWISE REQUIRED BY LOCAL BUILDING INSPECTIONS DEPARTMENT.
13. EXHIBIT "A" BREAKDOWN AND FLOOR PLAN MUST BE VERIFIED WITH THE CUSTOMER AT TIME OF THE PRE-CONSTRUCTION MEETING.
14. THE CONSTRUCTION SCHEDULE IS A PLAN TO BUILD THE HOUSE, NOT A PROMISE OF COMPLETION DATE. AS YOU KNOW, JIM WALTER HOMES HAS 365 DAYS TO COMPLETE YOUR HOUSE (AS PER CONTRACT).


JWH REPRESENTATIVE

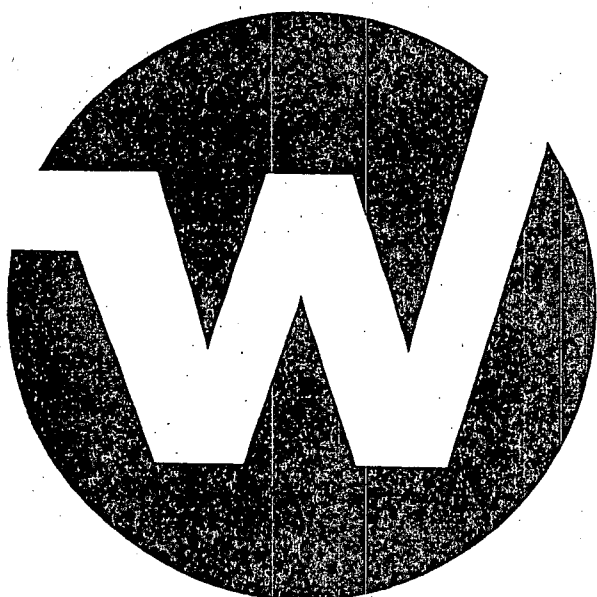

CUSTOMER

3-7-07
DATE


CUSTOMER

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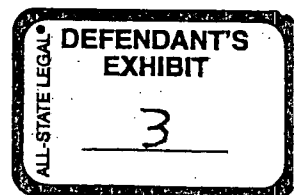


LIMITED WARRANTY



Jim Walter
HOMES

The nation's largest builder of on-your-lot, single-family homes.



Mail white copy to:
 Jim Walter Homes, Inc.
 P.O. Box 31601
 Tampa, FL 33631-3601
 Attn.: Cust. Svc./Warranty Department

JIM WALTER HOMES, INC.

WARRANTY CLAIM FORM

Keep remaining copies until you are
 contacted by a warranty claim representative

OFFICE

Notice to Homeowner: Warranty claims must be submitted to builder, in writing at the above address; and you should refer to Limited Warranty (statutory warranty in Indiana, Maryland and Louisiana) to insure that you do so in a timely manner.

NAME OF HOMEOWNER(S)		ACCOUNT NO.
STREET ADDRESS (City, State, Zip)		
HOME PHONE () -	BUSINESS PHONE / CUSTOMER NAME () -	ALTERNATE BUSINESS PHONE / CUSTOMER NAME () -
ALTERNATE PHONE NO.		DATE OF WARRANTY / /

EXPLAIN EACH CONCERN IN DETAIL
 (Use additional pages, if necessary)

	INSPECTION EVALUATION
(1)	1) ☐ Yes (
(2)	2) ☐ Yes (
(3)	3) ☐ Yes (
(4)	4) ☐ Yes (
(5)	5) ☐ Yes (
(6)	6) ☐ Yes (
(7)	7) ☐ Yes (
(8)	8) ☐ Yes (
(9)	9) ☐ Yes (
(10)	10) ☐ Yes (
(11)	11) ☐ Yes (
(12)	12) ☐ Yes (
(13)	13) ☐ Yes (
(14)	14) ☐ Yes (
(15)	15) ☐ Yes (

THE ABOVE ITEMS REPRESENT ALL OUTSTANDING
 CONCERNS KNOWN TO CUSTOMER(S) AT THIS TIME.

Customer's Signature _____ Date _____

Customer's Signature _____ Date _____

REPRESENTATIVE EVALUATION

A "Yes" indicates that the builder's representative has inspected item(s) of concern and, subject to Regional Construction Office concurrence, builder will undertake to make the corrections with respect to item(s). A "No" indicates that the builder's representative has determined that the item(s) of concern is not the responsibility of the builder.

HBG Representative's Signature _____ Date _____

HBG Representative's Printed Name _____

ACKNOWLEDGMENT OF REMEDY OF WARRANTY CLAIM

The undersigned customer(s) hereby acknowledge that those requested corrections approved by builder's Regional Construction Office have now been completed as required by the building contract, house plans, specifications and warranty applicable to this home.

Signed this _____ day of _____, 20 _____.

Customer's Signature

JIM WALTER HOMES, INC.
LIMITED WARRANTY

We at Jim Walter Homes, Inc. (the "Builder" or "Seller"), are pleased to extend to you (sometimes referred to as the "Buyer") this Limited Warranty, which includes the Code Standards and Performance Standards (the "Agreed Standards"), (all of which comprise and is hereafter referred to as the "Warranty"), which Warranty is subject to the conditions and limitations described herein below. The following paragraphs specify who may take advantage of this Warranty, how to take advantage of it, the time limitations imposed under the Warranty, the extent of and items covered by the Warranty, the quality and performance standards applicable to the Warranty, exclusions from coverage by the Warranty, ways in which Builder may remedy claims and a variety of other items of information important to you. THIS WARRANTY IS A PART OF YOUR CONTRACT WITH BUILDER, WHICH CONTRACT SHALL BE HEREBY INCORPORATED BY REFERENCE AND YOU ARE AGREEING THAT YOUR HOUSE WILL BE BUILT ACCORDING TO THE PERFORMANCE STANDARDS AND OTHER STANDARDS SET FORTH IN THE WARRANTY. YOU MUST FULFILL THE CONDITIONS OF THIS WARRANTY IN ORDER TO TAKE ADVANTAGE OF THIS WARRANTY AND WE STRONGLY SUGGEST THAT YOU KEEP IT WITH YOUR PERMANENT RECORDS.

DISCLAIMER OF ALL OTHER WARRANTIES (EXCEPT TENNESSEE, MISSISSIPPI, KANSAS, VIRGINIA AND WEST VIRGINIA)

THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, SUITABILITY, HABITABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF THIS WARRANTY.

DISCLAIMER OF ALL OTHER WARRANTIES (TENNESSEE ONLY)

THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, SUITABILITY, HABITABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, WORKMANSHIP AND/OR MATERIALS. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF THIS WARRANTY.

DISCLAIMER OF ALL OTHER WARRANTIES (MISSISSIPPI ONLY)

THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF SUITABILITY AND HABITABILITY. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF THIS WARRANTY.

DISCLAIMER OF ALL OTHER WARRANTIES (VIRGINIA ONLY)

TO THE EXTENT SELLER CAN LAWFULLY DO SO, SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, SUITABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF THIS WARRANTY.

MOLD DISCLAIMER.

WHETHER OR NOT BUYER AS A HOMEOWNER EXPERIENCES MOLD GROWTH DEPENDS LARGELY UPON HOW BUYER MANAGES AND MAINTAINS THE HOUSE. BUILDER'S RESPONSIBILITY MUST BE LIMITED TO CONDITIONS BUILDER CAN CONTROL. AS EXPLAINED THROUGHOUT THIS WARRANTY, BUILDER WILL REMEDY DEFECTS IN BUILDER'S WORK. HOWEVER, BECAUSE MOLD ITSELF IS NOT A DEFECT, BUILDER WILL NOT BE RESPONSIBLE FOR DAMAGES ASSOCIATED WITH THE FORMATION OR CONTINUED EXISTENCE OF MOLD IN THE HOUSE. WHETHER THE FORMATION OR CONTINUED EXISTENCE OF MOLD RESULTS FROM DEFECTIVE CONSTRUCTION OR NOT, THE DAMAGES FOR WHICH BUILDER DISCLAIMS LIABILITY INCLUDE BUT ARE NOT LIMITED TO (I) PROPERTY DAMAGE, (II) PERSONAL INJURY, (III) LOSS OF INCOME, (IV) EMOTIONAL DISTRESS, (V) DEATH, (VI) LOSS OF USE OF THE HOUSE, (VII) LOSS OF VALUE FROM THE HOUSE AND (VIII) ANY OTHER ADVERSE HEALTH EFFECTS.

THIS WARRANTY IS A PART OF THE TRANSACTION WHEREBY YOU HAVE CONTRACTED WITH BUILDER TO CONSTRUCT AND SELL THE HOUSE TO YOU; HOWEVER WITH RESPECT TO ALL MATTERS ADDRESSED HEREIN, THIS WARRANTY SUPERSEDES AND CONTROLS ALL OTHER CONTRACT DOCUMENTS, DISCUSSIONS AND REPRESENTATIONS. NEITHER ANY OF THE CONTRACT DOCUMENTS NOR ANY DISCUSSIONS OR REPRESENTATIONS CAN CHANGE, MODIFY OR OVERRIDE THIS WARRANTY.

Who may take advantage of this Warranty

The Warranty applies only to the house which is built pursuant to the contract of which this Warranty is a part (the "House"). This Warranty is extended to you, Buyer, as the first owner to occupy the House as a residence. The coverage applies whether Buyer occupies the House as his/her primary or a secondary residence. However, all warranty coverage shall automatically cease if Buyer stops occupying the House as his/her residence - that is, if Buyer lets someone else occupy the House while Buyer owns it or rents the House to tenants. All warranty coverage provided herein, to the extent that it is not expired pursuant to the provisions of this Warranty, shall be available to any subsequent owner of the House who occupies the House as a primary or secondary residence, and to any mortgage lender or similar creditor who acquires title to the House; except that the warranty coverage otherwise remaining hereunder shall automatically terminate if Builder or any affiliate or subsidiary of Builder, or any assignee thereof, acquires title to the House.

How to take advantage of this Warranty

If Buyer notes defects covered by this Warranty and wishes to make a claim hereunder, **Buyer must notify Builder in writing** as soon as possible after the occurrence and, in any event, in the time period(s) specified below. If the Warranty Period (as said term is hereinafter defined) is one (1) year or five (5) years, Buyer has (i) 90 days after the occurrence of the defect or condition requiring remedy or (ii) the end of the applicable Warranty Period, whichever occurs first, in which to provide written notice to the Builder. Thus, if the amount of time remaining in the applicable Warranty period is less than 90 days, Buyer must notify Builder in writing of a claim prior to the end of the Warranty Period. As explained later, the Warranty Period for some items is 30 days and in this situation, Buyer has only until the end of the 30 days' period to notify Builder in writing of a claim. Written notice must be given to Builder at the following address and if mailed must be postmarked in accordance with the just-stated time periods: **JIM WALTER HOMES, INC., POST OFFICE BOX 31601, TAMPA, FLORIDA 33631-3601, ATTENTION: HOME WARRANTY DEPARTMENT.** For Buyer's convenience in filing a claim, Builder is including in this Warranty two Warranty Claim Forms. Builder prefers that Buyer use the enclosed forms but any form which contains the same information and adequately describes the claim is acceptable. **BUYER'S COMPLIANCE WITH THE FOREGOING WARRANTY CLAIM PROVISIONS**

IS A REQUIREMENT AND CONDITION PRECEDENT TO BUYER'S ENTITLEMENT TO AND/OR OBTAINING OF ANY REMEDY.

Time Limitations for Warranty Coverage

Commencement/Release

Coverage under this Warranty generally begins on the date Builder substantially completes its contract obligations and releases the House to Buyer. Such date shall have no relationship to the date of governmental inspections, if any, performed or to be performed in the future; or to the issuance of a certificate of occupancy, if appropriate; and failure of Buyer to seek or obtain either of these actions shall not preclude such release. Such release of the House shall be effected by and shall be evidenced by the earliest of the following:

1. After Builder believes that it has substantially performed its contract obligations, Buyer will be asked to sign a "Tender Acknowledgment/Completion Certificate" (the "Acknowledgment") and, in Texas, an additional document titled Certificate of Completion. If Buyer signs the Acknowledgment and, in Texas, the Certificate of Completion, release of the House shall be at that time; or
2. After Builder believes that it has substantially performed its contract obligations, but Buyer is unavailable or unwilling to sign the Acknowledgment and, in Texas, the Certificate of Completion, Builder will deliver to Buyer a Completion Notice at or to the most recent address of Buyer provided by Buyer to Builder. The date appearing on such Completion Notice shall be the day of release of the House to Buyer; or
3. Buyer's occupancy of the House. Occupancy shall include but not be limited to Buyer's commencement of non-Builder work on the House and Buyer's prevention of Builder from finishing Builder's construction obligations under the building contract.

Note: Substantial performance shall not be precluded by those occasions on which Builder is delayed in completing one or more of the interior finishing options until Buyer completes his/her own work in the part of the House where Builder is delayed. Additionally, substantial performance shall not be precluded by those occasions on which climatic conditions delay Builder from painting the exterior of the House.

Duration

Under this Warranty, Builder promises to remedy (as said term is hereinafter defined) in accordance with the following time periods (the "Warranty Period"):

1. The defects and conditions described in Section XIX of the Agreed Standards for a period of thirty (30) days from the commencement of the Warranty;
2. Any condition in the House with respect to the quality and performance of the materials and workmanship provided by Builder which does not meet or exceed the standards set forth in the Agreed Standards, except as described in Section XIX, for a period of one (1) year from the commencement of the Warranty; and
3. Major Structural Defects (as said term is hereinafter defined) for a period of five (5)* years from the commencement of the Warranty.

* In Mississippi, six (6) years

The remedy of any defect or condition shall not extend or enlarge the original Warranty Period applicable to the item, defect or condition so remedied.

This Warranty does not address or extend to the future performance of the House (or any appliances, equipment, materials or workmanship used therein or therewith). Builder does not warrant or

represent that defects will not exist at the time of release of the House to Buyer or develop during the applicable Warranty Period; however, in that event, Builder's obligation is to remedy (as defined herein) any existing or developing defect (as determined by the terms and conditions set forth herein).

Definitions

"Major Structural Defect"

A "Major Structural Defect" is defined as actual damage to the load-bearing portion of the House due to faulty workmanship on the part of Builder, faulty materials used by Builder, and/or faulty design by Builder, which (1) affects its load-bearing function and (2) which precludes (or is imminently likely to preclude) the use of the House for residential purposes by rendering same unsafe, unsanitary or unlivable. However, since Builder will build the House on land selected and owned by Buyer, such defect does not include damage caused by or in any way related to (in whole or in part) subsidence, expansion or lateral movement of the soil or any other condition of or upon the land. Damage to non-load-bearing elements of construction does not constitute a Major Structural Defect. Examples of non-load-bearing elements of construction include but are not limited to: non-load-bearing walls and partitions, wall coverings, sub floor and flooring materials and coverings, exterior siding, gypsum wallboard and shingles.

"Remedy"

If a defect or condition occurs which is covered by this Warranty during the applicable Warranty Period and if Buyer timely and properly notifies Builder of same, Builder will remedy same. "Remedy" as used herein means and is defined as Builder's repair, replacement, or payment to the Buyer of the reasonable cost of repairing or replacing, or any combination thereof, the defective item. The choice among repair, replacement or payment is Builder's and lies exclusively within Builder's discretion. The method of making repairs shall be selected pursuant to generally-accepted construction practices, the selection of which shall be solely within the discretion of Builder and the quality and performance of the repairs shall meet or exceed the standards set forth in this Warranty.

Replacement may include the complete removal of the entire structure from Buyer's property and either a re-commencement of construction or, with Buyer's agreement, a cancellation of the contract, in which instance Buyer's total damages shall be limited to those sums Buyer has paid Builder. Remedy involving payment may be in the form of a reduction of Buyer's contract indebtedness to Builder.

Remedy of a Major Structural Defect shall consist of only (1) remedy of damage to the actual load-bearing elements to the extent necessary for them to properly perform their load-bearing functions and (2) remedy of the conditions caused by the Major Structural Defects which make the House unsafe, unsanitary or unlivable. With the exception of Major Structural Defects, the unsafe, unsanitary or unlivable conditions are limited to and confined to only remedy of plumbing, duct work, oil, gas, electric and waste lines, and heating, ventilating and cooling systems that directly impact upon and significantly affect the safe, healthy and sanitary occupancy of the House. Remedy of a Major Structural Defect occurring within the first year of warranty coverage shall include remedy of other items necessary to bring the House into compliance with the Agreed Standards.

Insurance

In the event Builder remedies any defect covered by this Warranty for which Buyer is covered by insurance, Buyer must notify Builder as soon as possible of such insurance and must, upon request by Builder, assign to Builder the right to the proceeds of such insurance to the extent of the cost to Builder of any such remedy performed or furnished by Builder.

Other Rights

This warranty gives you (Buyer) specific legal rights and you (Buyer) may also have other rights, which vary from state to state.

Any dispute arising out of the terms of this Warranty shall be resolved in accordance with the terms and conditions contained in the Arbitration Agreement shown on Exhibit D to Buyer's contract with Builder.

Exclusions from Warranty Coverage

The following are not covered by this Warranty and Builder disclaims any liability or obligation with respect to the following:

1. Bodily injury, damage to personal property, damage to real property which is not part of the House Buyer is purchasing and any other incidental or consequential damages. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you (Buyer).
2. Defects in outbuildings, swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls and the like which are not constructed by Builder; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); offsite improvements; or any other improvements not a part of the House itself and not constructed by Builder.
3. Damages to the House, "Systems", and/or "Appliances, Fixtures, and Equipment" to the extent they are caused or made worse in whole or in part by the negligence of, willful misconduct of, improper operation by, improper installation of materials, apparatus or devices by, improper maintenance by or improper condition caused by anyone other than Builder or its agents, employees or subcontractors.
4. Damages to the House, "Systems", and /or "Appliances, Fixtures, and Equipment" to the extent they are caused or made worse by failure of anyone other than Builder, or its agents, employees or subcontractors, to comply with the warranty requirements of manufacturers of appliances, equipment or fixtures.
5. Damages to the House "Systems", and/or "Appliances, Fixtures, and Equipment" to the extent they are caused or made worse by grading or failure to grade the ground or any other site preparation or condition. Builder, its agents, employees and subcontractors have not assumed, and in fact disclaim, any responsibility or obligation for grading the ground or otherwise for preparing the ground, including access for construction-related vehicles to the building site, for construction. Further, Builder assumes no responsibility or obligation for, and in fact disclaims any responsibility or obligation for, any testing, study or knowledge with respect to whether Buyer's site is suitable or proper for the construction of the House or suitable or proper at all for residential purposes. Buyer hereby expressly warrants to Builder that Buyer has made and performed any and all reasonable or necessary testing, study and investigation, or that Buyer has knowingly elected to forego any such testing, study and investigation and that Buyer's site is in fact, or deemed by Buyer to be, suitable and proper for the construction of the House to be constructed by Builder.
6. Damages to the House "Systems", and/or "Appliances, Fixtures, and Equipment" to the extent they are caused or made worse by the failure of Buyer to give written notice to Builder, as soon as possible, of any warrantable defect. Builder is not responsible for any additional costs to remedy a defect or condition. If such additional costs are due to or caused by Buyer's failure to notify Builder of said condition or defect as soon as possible and therefore deprive Builder of an opportunity to remedy same, or Buyer proceeds with construction or completion prior to notifying Builder of the defect or condition and, again depriving Builder of the opportunity to remedy same.
7. Any defect or other condition caused by wear and tear, aging or deterioration, contraction, shrinkage or expansion of the House and/or its components.
8. Damage caused by insects, birds, reptiles or other animals or mild and mildew.

9. Loss or damage from any cause or event other than Builder conduct, such as, but not limited to: fire, explosion, smoke, water escape, changes in the level of the underground water table, glass breakage, wind storm, hail, lightning, falling trees, aircraft, vehicles, rising water, flood, earthquake, war, riot, civil disturbance, revolution and any other cause or thing for which Builder has not expressly, in writing, assumed responsibility and agreed to remedy.
10. Any loss, damage, defect or condition which arises while the House, or any part thereof, or of the premises, is being used in whole or in part for nonresidential purposes, or any unlawful activity.
11. Any defect, which does not result in actual monetary loss or damage directly in or to the fair market value to the House.
12. Any construction, work, or modification done or performed by anyone other than Builder or its agents, employees or subcontractors.
13. Work or construction done or performed by any agent, employee or subcontractor of Builder at the request of Buyer and in addition to or different from the written contract entered into by and between Buyer and Builder.
14. Any loss or damage caused in whole or in part by the intentional or unintentional act of anyone (including Buyer) other than Builder, its agents, employees or subcontractors.
15. Any loss or damage caused or worsened in whole or in part by either the failure of Buyer to timely and properly conduct or perform reasonable and necessary maintenance or care of the House or failure of Buyer to timely and properly do or perform any act, the timely and proper performance of which would have avoided or lessened the loss or damage.
16. Squeaking floors and other floor noises.
17. Noises caused by expansion, contraction or other movement of the House or any of its components.
18. Any damage to the building site caused or made worse by normal construction vehicle traffic during the construction process.
19. Any damage to Buyer's septic or water systems not properly identified or protected by Buyer in advance of Builder's construction activities.
20. Anything not specifically covered by this Warranty.

Miscellaneous Provisions

To the extent Builder can do so and if and to the extent any such warranties exist, Builder hereby assigns to Buyer its interest in any manufacturers' and installers' warranties for mechanical equipment, appliances, and all other manufactured items furnished with the House. **(EXCEPT TENNESSEE, MISSISSIPPI, KANSAS, VIRGINIA AND WEST VIRGINIA) BUILDER DOES NOT WARRANT THESE ITEMS AND HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THESE ITEMS, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY, HABITABILITY AND FITNESS FOR ANY PARTICULAR OR INTENDED PURPOSE OR USE. BUILDER MAKES OR GIVES NO WARRANTY, EXPRESS OR IMPLIED, OTHER THAN OR BEYOND THE EXPRESS TERMS AND PROVISIONS OF THIS WARRANTY.**

Should any provision of this Warranty be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions. This Warranty is to be construed in accordance with the laws of the state in which the House is constructed.

The location and wording of headings used in this Warranty are for convenience only and are not intended to change, modify or supplement the terms or provisions hereof.

THIS WARRANTY IS A PART OF THE TRANSACTION WHEREBY YOU HAVE CONTRACTED WITH BUILDER TO HAVE BUILDER CONSTRUCT AND SELL THE HOME TO YOU; HOWEVER, WITH RESPECT TO ALL MATTERS ADDRESSED HEREIN, THIS

WARRANTY SUPERSEDES AND CONTROLS ALL OTHER CONTRACT DOCUMENTS, DISCUSSIONS AND REPRESENTATIONS. NEITHER ANY OF THE CONTRACT DOCUMENTS NOR ANY DISCUSSIONS OR REPRESENTATIONS CAN CHANGE, MODIFY OR OVERRIDE THIS WARRANTY.

AGREED STANDARDS

The Agreed Standards are the standards which apply to the construction quality and performance of the House Builder has contracted to build for Buyer. These standards consist of two primary parts and a definitional section.

The two primary parts are as follows:

Part I: Code Standards for the House and items and/or options therein purchased from Builder by Buyer which are subject to and covered by locally-adopted building, plumbing, electrical, mechanical and/or any other applicable codes; however, any such code shall only be applicable to govern the or construction of those items which are expressly and specifically addressed within such code without reference to other documents.

Part II: Performance Standards for the House and items and/or options therein which is built in a location which has not adopted a local building, plumbing, electrical, mechanical, and/or any other applicable code, and the House and items and/or options therein built in a location which has adopted a local building, plumbing, electrical, mechanical and/or any other applicable code but which code does not expressly and specifically, without reference to other documents, address those items of construction.

Definitions

For purposes of this Warranty, the following definitions apply:

1. "Appliances, Fixtures and Equipment" (including their fittings, attachments, controls and appurtenances) includes, but is not limited to, water heaters, bathtubs, sinks, mirrors, medicine cabinets, commodes, faucets and fittings, light fixtures, light switches, convenience outlets, circuit breakers, thermostats and controls, heaters, air handlers and condensing units, smoke detectors, kitchen cabinets and vanities, stoves, refrigerators, disposers, washers, dryers, fireplaces, shower stalls, whirlpools, dishwashers, ceiling fans, telephone jacks, television jacks and flood lights.
2. "Systems" (exclusive of Appliances, Fixtures and Equipment)
 - a. "Plumbing System" includes all pipes and their fittings, as described in Exhibit "A" (Package, Option and Additions) and/or Exhibit "B" (Specifications and Data Rider) of Buyer's contract with Builder.
 - b. "Electrical System" includes all wiring and connections, including electrical boxes, as described in Exhibits "A" and "B" of Buyer's contract with Builder.
 - c. "Mechanical System" includes all refrigeration lines, drain lines, thermostat, air handler, duct work, and condensing unit, as described in Exhibits "A" and "B" of Buyer's contract with Builder.

PART I

CODE STANDARDS

The structural, plumbing, electrical and mechanical construction under this Warranty of items and/or options purchased from Builder by Buyer shall be so as to comply with the standards contained in such Building Code, Plumbing Code, Electrical Code, Mechanical Code and/or other applicable code or

local ordinance which has been adopted in and is in effect at the location where construction will take place. Compliance with such code or ordinance shall also mean and include the use of alternate materials, methods and work which meets or exceeds applicable or acceptable engineering standards. At any time before or after construction of the House, compliance with said codes or ordinances and/or acceptable alternatives shall be conclusively evidenced by either favorable inspection by the individual(s) or group(s) charged with inspection duties or by certification by a registered professional engineer. This Part shall not apply to any items and/or options not provided by Builder.

PART II

PERFORMANCE STANDARDS

These Performance Standards are intended to specify the minimum standards of performance by Builder for construction of the House or portions of the House covered under this Warranty and to set forth a statement of Builder's obligation in the event Builder fails to meet those minimum standards. These Performance Standards contain a description of possible defective conditions, or "defects," which require remedy under this Warranty and also a description of conditions not constituting "defects," for which no remedies are required.

Of course, it is not practical to attempt to describe every deviation from perfection, whether a "defect" or not, which might be encountered in a new house. With respect to defects or conditions not enumerated or addressed in these Performance Standards, Builder shall be held to a standard of quality and performance as specified in the Residential Construction Performance Guidelines promulgated by the National Association of Home Builders, or, if not specifically addressed therein, comparable to that of Builder's display models. Construction meeting the appropriate standard shall be conclusive evidence of Builder's compliance hereunder.

It is the practice of Builder to give buyers of its houses an opportunity to reduce their building costs by allowing, encouraging, and/or requiring them to do some of the work themselves. If a buyer were purchasing a house from a builder who sells only fully-completed houses, all of the work would have been performed by that builder, but the buyer would ultimately bear the cost. Although Builder could also perform all of these tasks and pass along to Buyer the additional costs incurred, Builder has chosen not to do so.

Buyer's Responsibilities

The contract Buyer is signing will specifically identify only those items Builder is obligated to provide and activities Builder is obligated to undertake. Buyer should be aware that any items or activities not specifically included in the contract will not be provided or done by Builder and must be provided or done, if and as necessary or desired, by Buyer or someone under Buyer's direction and in a manner which meets or exceeds the requirements of applicable codes.

Items falling into this category include, but are not limited to, the following:

1. Availability of water, sewer, gas, electricity or other utilities to Buyer's land and any conditions or requirements for obtaining any permits or authorizations for such utilities. It is Buyer's responsibility to ascertain whether or not such utilities are available to and/or suitable for Buyer's land and the House to be built and Buyer must determine and fulfill the requirements for obtaining any such utilities or alternatives and any necessary permits or authorizations.
2. Unless otherwise provided in the contract or exhibits thereto, preparation or grading of the building site for construction, soil testing and any other investigation or preparation pertaining to the site and its use and/or location for the House. (This is Buyer's responsibility and damages caused by lack of proper preparation or grading or any other site testing, investigation or preparation are not covered under this Warranty.)

3. Despite the participation of Builder or Builder's agents(s), precise location and direction of House on the lot and reasonable access to that location. (Buyer must specify, by use of stakes, where House is to be built and what direction it should face; Buyer must also remove trees, bushes, shrubs, debris or other material hindering access to construction and provide a clear area in and around the House site.) To prevent damage to other trees, shrubs, utilities, septic system and other items susceptible to damage which Buyer wishes to preserve, Buyer must clearly mark the same in a manner whereby they can be readily identified and avoided by construction personnel and vehicles. (Builder shall not be responsible for any losses or damage to any such items not so marked.)
4. Clean-up work during and after construction. Buyer is responsible for all clean up. (Builder's subcontractors' contracts do not include cleaning windows, removing drywall compound from window frames or tub surrounds, removing trash and the like. This is something Buyer can easily do or pay someone to do.)
5. Maintenance of House. Buyer is responsible for maintaining the House. After the House has been constructed by Builder to the extent Builder contracted to do so, Buyer then has the responsibility to maintain the House. Buyer must perform regular upkeep or maintenance. Some examples of required homeowner maintenance are cleaning, painting, caulking, adjusting doors and sweeps or thresholds, lubricating metal items such as window springs, hinges and sliding door rollers and many other items or portions of the House which must be protected, adjusted and otherwise maintained from time to time. It shall also include grading and landscaping of the soil and positive drainage of ground water away from House and removing leaves and other debris from roof and valleys.

Buyer should also be aware that in wood construction, irregularities in framing and rough construction dimensions are not uncommon and are normally eliminated, corrected or covered with the application of finish materials. This fact has added significance in a house where a buyer is able to view the progress of construction as often as desirable and, perhaps, to take advantage of a builder's incremental building program by doing some or all of the finish work himself/herself. The lumber used to build the House will be purchased from local suppliers and will be of the quality designated by the applicable independent grading agencies. Unless Builder's construction fails to meet these Performance Standards, such irregularities or other conditions shall not be considered defects requiring remedy by Builder. The buyer doing his or her own finishing must expect to encounter such conditions or irregularities and make necessary adjustments or employ appropriate procedures to enable the finished product to compare favorably with quality and performance of Builder's display models.

I. FOOTINGS AND FOUNDATIONS

General Comments. Buyer should know that regardless of the type or shape of terrain at the building site, the type of foundation chosen, and the quality of materials or workmanship used, some settling of the House should be expected to occur.

It is not uncommon for a foundation to require some shimming to level it for acceptance of the House's frame. As necessary, acceptable shimming material may be used by Builder to achieve a level foundation. After it has been built, from time to time the House may require some leveling as the result of settlement and this shall be Buyer's responsibility.

Possible Defects

1. Cracks in Foundation Footing. With the expansion or contraction of mortar or concrete due to changes in temperature, cracks may develop in the foundation footing. Builder will remedy only those cracks which exceed 1/4 inch and reduce the structural integrity to below that which is necessary to accommodate the House.

2. Cracks in Foundation Wall or in Mortar Joints. Cracks not affecting the structural integrity of the foundation and not in excess of 1/8 inch in width are not defects and will not be remedied by Builder. Such cracks in excess of 1/8 inch are considered defects, the remedy of which may include surface patching. Cracks affecting structural integrity are defects which will be remedied.
3. Spalling, Pitting, Chipping and Scaling Masonry. From time to time the masonry blocks, the mortar joints and/or the poured-in-place footings may develop areas of spalling, pitting, chipping, scaling and the like. Such conditions not affecting the structural integrity of such items are not defects and will not be remedied by Builder. Such conditions affecting structural integrity are defects and will be remedied.
4. Foundation Out of Plumb.
 - a. Square or rectangular members or continuous wall foundation - Concrete blocks, poured piers, wood or concrete block pilings and continuous foundation walls should not lean more than 3/8 inch per 8 inches of height, but in no event to exceed 1/6 of the horizontal dimension of the pier or piling as measured in the direction of the lean.
 - b. Round members - Round piers or pilings should not lean more than 3/8 inch per 8 inches of height, but in no event to exceed 1/8 of the diameter of the pier or piling.
5. Pier Placement. The placement of the pier on a footing should be such that no side of the pier is less than two (2) inches from the edge of the footing.
6. Alignment of Piers and Pilings. No pier or piling shall be out of alignment or out of plane more than 4 inches as measured between any three consecutive piers or pilings.
7. Bow or Crook in Piling. Pilings should not be bowed or crooked more than 1/4 inch in any vertical 32-inch measurement.
8. Standing Water on Porches, Stoops and Steps. Water should drain off of porches, stoops and steps, either from the slope of the porch or from gaps between the boards; however, some water might be expected to remain standing for a short period after a rain.
9. Slab Foundations.
 - a. Movement or separation of the slab at expansion and contraction joints. Expansion and contraction joints are designed to accommodate movement and separation of the slab. This condition is not a defect and will not be remedied.
 - b. Uneven slab. Concrete floors in rooms designed for habitation shall not be uneven by more than 3/8 inch in any 32 inch measurement. Builder will remedy the slab not meeting this performance standard. The remedy may include the application of a latex-fortified cement mixture designed to fill cracks and bond concrete.
 - c. Cracked slab. Minor cracks in concrete slabs are normal and generally not preventable. Cracks exceeding 3/16 inch in width or 3/16 inch in vertical displacement are defects which Builder will remedy. The remedy may include the application of a latex-fortified cement mixture designed to fill cracks and bond concrete.

II. ROUGH FRAMING

General Comments. This category contains most of the items or systems (other than the foundation) which affects the structural integrity of the House itself, such as the floor system, walls, ceilings, and roof system.

Because of the nature of wood and wood products, the House may contain such conditions as discoloration, saw cuts and knots in, gaps between, and twisting, cupping, bowing, crooking and splitting of wood framing members. If the structural integrity of the House is maintained and these Performance Standards are otherwise met, these conditions are not defects and will not be remedied. Furthermore, it is not uncommon for lumber or other materials to experience dampness or wetness from rain, snow, humidity or a variety of other weather conditions before construction is completed. Such exposure may result in a

further bowing, crooking, cupping, warping, twisting, splitting, expanding or contracting of materials, and this again is a defect only when such imperfections are such that the Performance Standards set forth herein are not met.

Buyer may note that walking or movement on or across the suspended wooded floor of the House may cause some vibration within the House and that there may be a spongy or springy sensation. If Buyer purchased a wood or concrete block piling foundation from Builder, the aforesaid conditions may be even more noticeable. These are normal, natural occurrences in a suspended wood floor system, are not defects and will not be remedied. This does not apply to slab foundations.

Possible Defects - Floor System

1. Floors Uneven or Unlevel. At the time of release of the House to Buyer, there should not be a deflection in surface of the floors of more than 1/4 inch in any 32-inch measurement, nor should the slope of the floor in any room or in the overall House exceed 1/16 inch per running foot of the distance across the room or the length of the House. Builder is not responsible for and will not remedy any subsequent movement or changes in slope or levelness of the House or any room therein caused in whole or in part by settlement, moisture or any cause other than the materials installed or workmanship provided by Builder.

Possible Defects - Wall System

1. Plumb. No interior wall or exterior wall should be out of plumb greater than 3/4 inch in an 8-foot wall. The tolerance of plumb with respect to walls higher than 8 feet shall be incrementally proportionate to the tolerance for an 8 foot wall. The plumb of an exterior wall shall be measured inside the House.
2. Plane.
 - a. Covered walls. With respect to walls inside the House which are covered by Builder (with gypsum wallboard or other such material), the vertical and horizontal plane of interior walls and interior sides of exterior walls should vary from flat or straight no more than 1/4 inch in any 32 inch measurement. With respect to the exterior side of an exterior wall covered by the Builder (with siding or other such material), the vertical and horizontal plane should vary from flat or straight no more than 3/8 inch in any 48 inch measurement.
 - b. Uncovered walls. With respect to walls which are to be left uncovered by Builder, the horizontal plane of bare stud walls should vary from flat or straight not more than 1/4 inch across any 3 consecutive wall studs and the vertical plane of any bare wall stud should vary from flat or straight not more than 1/4 inch in any 32 inch measurement. However, any such defects must be brought to the attention of Builder within 30 days from release of House to Buyer and prior to Buyer's installation of any wall covering material on any wall claimed to contain such a defect. Otherwise, Builder shall not be responsible for remedying such condition.

Possible Defects - Ceiling System

1. Plane.
 - a. Covered ceilings. With respect to ceilings which are covered by Builder (with gypsum wallboard or other such material), the plane should vary from flat or straight no more than 1/4 inch in any 32 inch measurement.
 - b. Uncovered ceilings. With respect to ceilings which are to be left uncovered by Builder, the plane of the bare ceiling joists should vary from flat or straight across the joists no more than 3/8 inch between any 3 consecutive members and the plane of the bare ceiling joists should vary from flat or straight along a joist no more than the grading tolerances of the framing members involved as set forth by the grading association or bureau responsible for the applicable species and grade of lumber. However, any such defects must be brought to the attention of Builder within 30 days from release of House to Buyer.

and prior to Buyer's installation of any ceiling covering material. Otherwise, Builder shall not be responsible for a remedy of such condition.

Possible Defects – Roof

1. Framing
 - a. Roof ridge beam deflects. Roof ridge beam deflection greater than 1 inch in 8 feet is considered excessive.
 - b. Roof or ceiling rafter bows. Rafter bows greater than 1 inch in 8 feet are considered excessive.
 - c. Slope. The actual vertical measurement from the bottom of the ceiling joist to the bottom of the rafter adjacent to the ridge board shall vary no more than 5% from the same measurement calculated from the planned roof slope.
2. Sheathing
 - a. Roof sheathing is wavy or appears bowed. Roof sheathing shall not bow more than 1/2 inch in 2 feet.

Possible Defects - Squareness

1. Overall House and Rooms. The difference between the two diagonal measurements of the House or of any room contained in it should be no more than the greater of 3/4 inch or 1/8 inch per foot (i.e. 1/8" times the number of feet) of the longest rectangular dimension of the area being measured, as measured on the floor. In rooms of irregular shape, the measurement shall be taken from a point in the structure of the House to which the room would have extended if the irregular shape had not been present. Squareness shall be measured or ascertained only as aforesaid and shall not be measured or ascertained by use of a carpenter's square or other means.
2. Partition Walls. A partition wall should vary no more than 1/4 inch per foot (as measured along the length of the partition wall) from perpendicular to the wall it adjoins. Squareness shall be measured or ascertained in this instance by use of a carpenter's square.

III. WINDOWS

General Comments. It is not uncommon for windows, walls, ceilings and other surfaces to accumulate moisture under certain climatic conditions. This accumulation is commonly known as "sweating." The condition is generally caused by warm, moist air coming into contact with a cooler surface. The use of an unvented gas or kerosene heating system or wood burning stove may cause or exaggerate "sweating." Builder disclaims responsibility for this common moisture condition and "sweating" windows or other surfaces is not a defect and Builder will not remedy same or any conditions caused thereby or related thereto.

It is not unusual for the margin of space between the window unit set in place and the rough carpentry window opening to be non-uniform. This does not constitute a defect, will not be remedied and should be eliminated, covered or corrected with the proper application of the interior and exterior finish materials.

Possible Defects

1. Window Does Not Operate Properly. All windows should operate properly, as intended.
2. Drafts Around Windows. Some air infiltration is to be expected around windows, particularly during high winds. However, excessive infiltration is not acceptable and will be remedied as is appropriate by Builder.

IV. SIDING

General Comments. The several types of siding used by Builder are applied to the outside edges of the wood-framing members, separated from those members by insulative or structural sheathing

(depending upon the option Buyer elects). Therefore, the straightness in appearance of the siding is primarily dependent upon the straightness of the wood-framing members to which it is affixed. Because wood framing members seldom are or seldom remain perfectly straight, Buyer should expect that deflection or waviness in the siding will naturally be present. Unless such waviness exceeds the standard described in this section, it is not a defect and will not be remedied.

Possible Defects

1. Separations in Joints. Joints between adjoining pieces of siding should not result in open separations or spaces in excess of 1/4 inch.
2. Chipping, Spalling, Waviness/Buckling. The siding shall not buckle or distort more than 1/4 inch out of plane between framing members or 3/8 inch in any 48-inch measurement. Minor chipping, spalling or other damage associated with installation of cement fiber siding is normal and may be remedied by Builder through the use of mortar, grout or like products.
3. Siding End Gap Visible. End gaps wider than 3/16 inch are unacceptable. Unacceptable gaps will be remedied with either caulk or the installation of joint covers. Repainting of only the affected area will be included in the remedy.
4. Horizontal Lines of Siding Not Parallel. The pieces of siding should be parallel. Any piece unparallel with either a contiguous piece, the eaves, a wall opening or the piece closest to the ground by more than 1/2 inch in 20 feet is unacceptable and will be remedied.
5. Additional Considerations For Vinyl Lap Siding Only
 - a. Color faded. The ultraviolet rays from the sun will fade the color from the siding. This is a natural phenomenon over which Builder has no control. It does not constitute a defect and requires no remedy by Builder. In the event a remedy/repair of some other item involves vinyl lap siding, the replacement siding may not match perfectly with the siding not involved in the remedy/repair. Builder shall not be responsible for color variations in such circumstances.
 - b. Loose trim. Trim separated from the House by more than 1/4 inch is unacceptable and will be remedied by Builder. The remedy may be accomplished by either caulking or reinstallation of the trim.
 - c. Visible nails. No nail heads should be visible on the general field of siding. Siding and/or trim face nailed under or near windows, doors or eaves should be affixed with nails of a color to match the siding. Non-conforming work will be remedied by Builder.
 - d. Loose trim accessory. Trim accessory should not separate from caulking at windows or other wall openings. That which separates will be remedied by Builder.
 - e. Siding cut crooked. Visible cuts of siding should be straight, plumb and cosmetically appealing. Those that are not will be remedied. Cuts up to and including 1/8 inch from true are acceptable and will not be remedied.
 - f. Siding not cut tight to moldings. Gaps between siding and moldings exceeding 1/4 inch will be remedied by Builder.
6. Additional Considerations For Masonry and Brick Veneer Only
 - a. Cracks. Cracks greater than 1/4 inch or visible from 20 feet will be remedied by Builder. Hairline cracks are common and unavoidable. (Note – Cracks associated with expansion joints are not defects. Expansion joints are designed to allow for the expansion and contraction of the materials.)
 - b. Bricks below openings cut to different thicknesses. Bricks cut for use in the course directly below a wall opening shall not vary from one another in thickness more than 1/4 inch. Those which do will be remedied by Builder.
 - c. Horizontal course not straight. The bottom of any course shall not vary from horizontal more than 1/4 inch in any 10 foot measurement or 1/2 inch in any measurement along that course. Non-conforming work will be remedied by Builder.
 - d. Mortar stain on brick. Brick shall be free from mortar stains visible from 20 feet or greater. Non-conforming work will be remedied by Builder.

NOTE: The remedy with respect to any siding defect will only be to or with respect to the affected area and will not include painting of or correction of other areas.

V. EXTERIOR DOORS

General Comments. Note that from the time they are installed and adjusted, doors may get out of alignment or adjustment due to normal usage. Builder's responsibility for adjusting or realigning doors is limited to adjusting or realigning the same one time only during the Warranty Period.

Possible Defects

1. Warpage of Exterior Doors. Exterior doors should not warp more than 1/4 inch (measured from side to side). Builder will remedy any exterior door failing to meet this standard.
2. Infiltration Around Doors. Some air and/or water infiltration is to be expected around doors, especially during high winds. However, excessive infiltration is not acceptable and will be remedied as is appropriate by Builder one time only during the Warranty Period. Builder strongly encourages Buyer to install storm doors and/or weather-stripping and/or gutters over entryways, the installation of which is Buyer's responsibility, to eliminate or minimize air and or water infiltration.
3. Visible Gaps. Visible gaps should not exist around exterior door edge, jamb and/or threshold. Non-conforming work will be remedied by Builder. A visible gap is one which is through on a direct line to the exterior of the House, not simply an indirect reflection of light around the door as it fits into the door opening.
4. Alignment of Sliding Glass Doors and Screens. Sliding glass doors and door screens should be aligned so as to operate properly. It is not uncommon for sliding screen doors to become dislodged or misaligned from time to time in normal use. Builder will remedy one time only during the Warranty Period.
5. Dents in Metal Doors. Metal doors with visible dents will be remedied by Builder. The remedy may be repair or replacement, as selected by Builder. (See Section XIX.)

VI. FINISH

General Comments. Exterior painting and caulking are among the items requiring Buyer's frequent and regular attention and maintenance. Both painting and caulking should be done often and on a regular basis. Builder-applied exterior finishes should not fail during the Warranty Period; however, fading should be expected, with the degree being dependent upon climatic conditions.

Mildew or fungus may form on painted or finished surfaces if exposed to continuous moisture or other conditions. This is not a defect and will not be remedied by Builder. (Please refer to Section X for more information about mold and mildew.)

Buyer is responsible for keeping all roof areas clean and free from excessive accumulations of snow, leaves, ice and the like. Failure to do so may cause leaks or other conditions which would not otherwise happen and shall not be the responsibility of Builder. Naturally, items or conditions left, placed or installed upon or penetrating into the roof by Buyer and resulting in leaks or other adverse effects are not the responsibility of Builder.

Possible Defects

1. Leaks in Exterior Walls. Exterior walls and exterior wall joints should not leak. Water leaks from cracks in exterior walls or from exterior wall joints may indicate a defect. Builder will remedy joints and cracks which leak water.
2. Peeling or Deterioration of Paint or Stain. Exterior paint or stain should not peel or otherwise fail in performance during the Warranty Period. Where failures do occur, Builder will remedy the affected areas only. Where the failure affects a majority of a wall, Builder's remedy will encompass the entire wall.

3. Painting Required Because of Other Remedy. If remedy of other defects adversely affects the existing application of paint, interior or exterior, Builder will remedy same but only as to the affected area. Where a majority of a wall or other area is affected, the remedy will include the entire wall.
4. Caulking. Cracks or openings around doors, windows and other openings should be caulked where necessary to provide protection from the elements. With respect to cracks and caulking, Builder will remedy it one time only during the Warranty Period. However, even caulking installed properly will contract and expand and must be maintained regularly by Buyer.
5. Venting
 - a. Leaks. Attic vents and louvers should not leak. Infiltration of wind-driven rain or snow are not considered to be leaks. Leaking vents or louvers shall be remedied by the Builder.
6. Asphalt Shingles
 - a. Leaks. Shingles (and associated flashing) should not leak. The Builder will remedy roof leaks caused by shingles and/or flashing.
 - b. Not horizontally or vertically aligned. Non-dimensional shingles should be installed so as to be cosmetically appealing horizontally and with rain tabs aligned vertically. Shingles not so installed will be remedied. This standard shall not apply to dimensional shingles.
 - c. Edges or corners are curled or cupped. Although shingles should not be excessively curled or cupped, there is no requirement that they be perfectly flat. The manufacturer's standards/specifications prevail. Non-conforming shingles will be remedied.
 - d. Amount of overhang is improper. The overhang should be not less than ¼ inch nor more than 1 inch, unless the manufacturer provides otherwise. Non-conforming shingles will be remedied.
 - e. Surface buckling. Shingles should not buckle greater than ¼ inch. Shingles buckling more than that will be remedied.
 - f. Nails loosening. The nails affixing the shingles to the roof decking should not loosen. Loose nails will be remedied.
 - g. Exposed nailheads. The heads of the roofing nails used to affix the shingles to the ridge of the roof should not be or become exposed. Nails not meeting this standard will be remedied with the application of a sealer.

VII. ELECTRICAL SYSTEM

General Comments. Occasionally, a homeowner will find that a plug or a switch is not working. Very often the cause of such problem is a tripped circuit breaker. If Buyer encounters such a situation, first check the circuit breaker box before registering a warranty claim.

Because of the wide variety of individual tastes pertaining to size, shade and intensity of lighting, Builder does not provide light bulbs or other lighting devices not specifically enumerated in Buyer's contract.

Possible Defects

1. Malfunction of Electrical Switches, Fixtures, or Outlets. All switches, fixtures and outlets should operate properly. Builder will remedy those which do not.
2. Ground Fault Interrupter Trips Frequently. These are safety devices installed to prevent electrical shock. They are designed to be sensitive to conditions in the electrical system which suggest shock. If they trip for no apparent reason, Builder will determine the reason(s) and, if appropriate, remedy the cause for the tripping or replace the ground fault interrupters if they are found to be defective. Before contacting Builder, check the appropriate circuit breaker.
3. Ceiling Fan Noisy, Vibrates. If purchased from Builder, Builder will install ceiling fans per manufacturer's specifications and instructions. Builder's remedy for excessive noise and/or vibration is limited to ascertaining that installation was proper.

4. Air Infiltration Around/Through Outlet. Electrical junction boxes on exterior walls may allow air to flow through or around an outlet into the House. It may not be possible to eliminate this condition completely. It is not a defect and will not be remedied by Builder. Buyer can attempt to reduce or eliminate this condition by temporarily removing the plates to install foam insulation pads, then replacing the plates.

VIII. PLUMBING SYSTEM

General Comments. During the winter months, water supply lines are subject to freezing and developing leaks or other malfunctions. Leaks and other malfunctions to water supply lines resulting from freezing or exposure to the elements are not defects and will not be remedied. It is advisable for Buyer to insulate and otherwise protect pipes and fixtures to avoid freezing and other adverse effects resulting from exposure to the elements. It is important to note that even if properly insulated, water supply lines may nevertheless freeze in extremely cold temperatures.

Builder stubs it's plumbing approximately three (3) feet from the foundation and, unless Builder has expressly contracted in writing to do so, Buyer is responsible for his or her own water and sewage disposal hookups and water supply hookups. Builder's plumbing packages do not contain a master water shutoff valve nor sewage clean out, and Buyer is encouraged (and in some areas required by code or ordinance) to have these items installed at such time as Buyer has the remainder of the plumbing completed. Due to variations in community water supply pressure, a pressure regulator may be necessary or desirable to regulate the water pressure to the House. Builder will not provide such a regulator and it will be Buyer's responsibility to do so.

Occasionally, a Buyer will note a problem with slow or clogged drainage from a tub, commode or sink. Generally, slow or clogged drainage is a function of the disposal system installed or hooked into by Buyer. Drainage problems resulting from any such causes are not defects and will not be remedied by Builder.

The failure of the water heater to perform properly is frequently caused by the failure of a Buyer to fill the tank with water prior to activating the heater, thereby burning out the heating elements. Builder is not responsible for and will not remedy failures of this nature or any other failure caused in whole or in part by Buyer's act, omission or failure to properly use or maintain the water heater. Buyer must fill the tank with water before activating the water heater (or Buyer must insure that the appropriate electrical circuit breaker is in the "off" position) to avoid such a problem and to otherwise properly use and maintain the water heater.

The removal and re-installation of plumbing fixtures by Buyer – to install tile or vinyl on the floor, for example, may cause leaks of water or sewer gas. These are not the responsibility of the Builder.

Possible Defects

1. Pipe Leaks. Pipes should not leak from defects in materials or workmanship. (Condensation is not a leak and is not a defect.) Subject to the disclaimer in the General Comments of this section, Builder shall remedy leaks which constitute defects.
2. Faucet or Valve Leaks. Faucets and valves should not leak from defects in materials or workmanship. Remedy of worn faucet washers by the Builder is limited to one time only during the Warranty Period.
3. Clogged Fixtures and Drains. Fixtures and drains should drain properly. Improper drainage caused by Builder will be remedied by Builder.
4. Defective Fixtures, Appliances, or Fittings. Fixtures, appliances and fittings should be judged according to their manufacturing standards. Builder will only remedy any fixtures, appliances or fittings failing to meet such standards.

5. Frozen Pipes. Water freezing in exterior water, drain and waste pipes can cause the pipes to burst. Insulation covering or wrapping the pipes is the best method for avoiding bursting pipes in normally-encountered freezing temperatures. In exceptionally cold temperatures, temporarily draining the lines may also be necessary. This condition is not a defect and Builder will provide no remedy.
6. Noisy Water Pipe. Pipe expansion and contraction and water flowing through the pipe will make noise. This is not a defect and Builder will provide no remedy. A pounding noise known as "water hammer" is not acceptable and Builder will remedy a situation involving "water hammer."
7. Bathtub/Shower Leaks. Bathtubs and showers should not leak. Builder will remedy bathtubs and showers which do leak. Caulking on a frequent basis is a Buyer responsibility for proper maintenance and should eliminate the most commonly-encountered leaks.
8. Base of Fiberglass Tub or Shower Stall Flexes. Builder is responsible for installing tub and shower stall pursuant to manufacturer's specifications and instructions. There may be a slight flex even if tubs and showers are installed properly. If the installation is proper, flexing does not constitute a defect and Builder will provide no remedy.
9. Clogged Sewer, Fixture or Septic System Drain. Absent the intervention of an outside influence, sewer and septic system drains and fixtures should drain properly. Clogging resulting from negligence, lack of maintenance or intentional actions by someone other than Builder are not the responsibility of Builder and will not be remedied by Builder.

IX. INSULATION

General Comments. Builder offers several selections in insulation packages. Naturally, the greater the fluctuations in outside temperature, the more important a sufficient amount of insulation becomes.

It is important for a Buyer who elects to install his or her own insulation to be careful not to cover the vents located in the attic. Covering such vents can lead to a variety of problems for the House and Builder is not responsible for and will not remedy defects caused by someone's installation of insulation or blockage of the attic ventilation.

Possible Defects

1. Floor Insulation-Needs to be Maintained in Place. Builder will secure floor insulation per manufacturer's recommendations and/or industry-accepted standards. Insulation that nevertheless falls or becomes dislodged due to wind or wild or domestic animals is not a defect and will not be remedied by Builder.

X. VENTILATION AND INTERIOR CLIMATE CONTROL

General Comments. Many of Builder's houses are built over a crawl space. In such houses, the crawl space may be one which is open or one which is enclosed, depending on the option purchased by a buyer. Builder will install a number of crawl space ventilators in the enclosed foundations it constructs. It is important for a homebuyer not to block or impede the flow of air through such ventilators. Homebuyers who originally purchase a house built over an open crawl space and who later decide to enclose such crawl space are advised to install a sufficient number of unblocked ventilators. If the ventilators are blocked, moist air trapped under the house can cause problems and material failure, such as with the wood framing members and the flooring. Builder shall have no responsibility or obligation for and will not remedy damages or defects caused by someone other than Builder blocking the ventilation or causing inadequate ventilation in or under the House.

Possible Defects

1. Wind-Driven Snow or Rain Entering the Attic Area. Builder shall have no responsibility or obligation for and will not remedy damages or defects from snow or rain driven into the attic and soffit area through louvers or vents.
2. Air Infiltration Around Door or Window. Some air infiltration around doors and windows is to be expected, especially during times of high winds. This is not a defect and Builder will provide no remedy. Elimination of the infiltration can generally be achieved by the installation of storm doors or weather stripping.
3. Formation of Mold and Mildew.
 - a. What Buyer should know about mold. Mold is a type of fungus. It occurs naturally in the environment, and it is necessary for the natural decomposition of plant and other organic material. It spreads by means of microscopic spores borne on the wind, and is found everywhere life can be supported. Residential house construction is not, and cannot be, designed to exclude mold spores. If the growing conditions are right, mold can grow in a house. Most homeowners are familiar with mold growth in the form of bread mold, and mold that may grow on bathroom tile.

In order to grow, mold requires a food source. This might be supplied by items found in the House, such as fabric, carpet or even wallpaper, or by building materials, such as drywall, wood and insulation, to name a few. Also, mold growth requires a temperate climate. The best growth occurs at temperatures between 40 degrees and 100 degrees Fahrenheit. Mold growth also requires moisture. Moisture is the only mold growth factor that can be controlled in a residential setting. By minimizing moisture, a homeowner can reduce or eliminate mold growth.

- Moisture in the House can have many sources. Spills, leaks, overflows, condensation, and high humidity are common sources of house moisture. Good housekeeping and house maintenance practices are essential in the effort to prevent or eliminate mold growth. If moisture is allowed to remain on the growth medium, mold can develop within 24 hours.
- b. Consequences of mold. Mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. The most common effects are allergic reactions, including skin irritation, watery eyes, runny nose, coughing, sneezing, congestion, sore throat and headache. Individuals with suppressed immune systems may risk infections. Some experts contend that mold causes serious symptoms and diseases which may even be life threatening. However, experts disagree about the level of mold exposure that may cause health problems, and about the exact nature and extent of the health problems that may be caused by mold. The Centers for Disease Control states that a causal link between the presence of toxic mold and serious health conditions has not been proven.
 - c. What Buyer can do. Buyer can take positive steps to reduce or eliminate the occurrence of mold growth in the House, and thereby minimize any possible adverse effects that may be caused by mold. These steps include the following:
 - (1) Before bringing items into the House, check for signs of mold. Potted plants (roots and soil), furnishings, or stored clothing and bedding material, as well as many other household goods, could already contain mold growth.
 - (2) Regular vacuuming and cleaning will help reduce mold levels. Mild bleach solutions and most tile cleaners are effective in eliminating or preventing mold growth.
 - (3) Keep the humidity in the House low. Vent clothes dryers to the outdoors. Ventilate kitchens and bathrooms by opening the windows, by using exhaust fans, or by running the air conditioning to remove excess moisture in the air, and to facilitate evaporation of water from wet surfaces.

- (4) Promptly clean up spills, condensation and other sources of moisture. Thoroughly dry any wet surfaces or material. Do not let water pool or stand in or around the exterior of the House. Promptly replace any materials that cannot be thoroughly dried, such as drywall or insulation.
 - (5) Inspect for leaks on a regular basis. Look for discolorations or wet spots. Repair any leaks promptly. Inspect condensation pans (refrigerators and air conditioners) for mold growth. Take notice of musty odors, and any visible signs of mold.
 - (6) Should mold develop, thoroughly clean the affected area with a mild solution of bleach. First, test to see if the affected material or surface is color safe. Porous materials, such as fabric, upholstery or carpet, should be discarded. Should the mold growth be severe, call on the services of a qualified professional cleaner.
- d. Mold disclaimer. Whether or not Buyer as a homeowner experiences mold growth depends largely upon how Buyer manages and maintains the House. Builder's responsibility must be limited to conditions Builder can control. As explained throughout this Warranty, Builder will remedy defects in Builder's work. However, because mold itself is not a defect, Builder will not be responsible for damages associated with the formation or continued existence of mold in the House, whether the formation or continued existence of mold results from defective construction or not. The damages for which Builder disclaims liability include but are not limited to (i) property damage, (ii) personal injury, (iii) loss of income, (iv) emotional distress, (v) death, (vi) loss of use of the House, (vii) loss of value from the House and (viii) any other adverse health effects.

XI. WALLBOARD

General Comments. Due to the normal settling process a new house experiences, Buyer may expect to notice small cracks, visible nail heads, seam lines and/or other imperfections showing in the gypsum wallboard. These do not constitute defects and will not be remedied by Builder unless exaggerated and caused by Builder. They will normally be eliminated, corrected or covered by Buyer's next application of paint or other normal homeowner's maintenance.

Some types and grades of interior paint contribute significantly to enhancing the visibility of imperfections. High gloss paint or finish is such a material. Builder recommends the use of no more than a semi-gloss paint or finish in kitchens and bathrooms, and flat paint in all other rooms.

Under Builder's incremental building program, a homebuyer may elect to purchase rough hung wallboard from Builder and tape and float the joints and nail heads himself or herself. The taping and floating process is important to a satisfactory appearance of the wall and ceiling surfaces, and, in such cases, it is Buyer's responsibility to eliminate imperfections normally encountered. Builder shall have no responsibility or obligation for and will not remedy imperfections or defects, which would be normally remedied or covered by skilled finishing of wallboard.

Possible Defects

1. Deterioration or Disintegration of Unprotected Gypsum Wallboard Adjacent to the Tub or Shower. Unprotected gypsum wallboard is not intended to be used as an exposed wall of a tub or shower. The wet, damp, humid conditions of the bath area will cause wallboard to deteriorate or disintegrate rapidly if it remains unprotected. If Buyer's contract with Builder requires Builder to install a bathtub wall covering kit, the wallboard should not deteriorate or disintegrate. Unless Builder has installed such protection, Builder shall have no responsibility or obligation for and will not remedy any such deterioration or disintegration of the wallboard.

2. Visible Imperfections. Nail pops, seam lines, blisters, cracks not exceeding 1/8" in width and other small but visible imperfections shall be expected in gypsum wallboard installations. Unless these imperfections are readily visible from a distance of six feet under normal lighting conditions, they are not defects and will not be remedied by Builder. If the imperfections do constitute defects and Builder provided the installation, taping and floating of the wallboard and joint compound on the original structure, Builder will remedy such imperfections one time only during the Warranty Period. Builder will only touch up the painted areas affected by Builder's wallboard remedy. Buyer should not expect a perfect match between the original and the touch up paint and Builder is not required to paint an entire wall, ceiling or room. Builder is also not required to remedy defects that are covered by wallpaper or paneling.
3. Cracked Corner Bead, Excess Joint Compound, or Trowel Marks in Tape Joints. These conditions are unacceptable and Builder will remedy one time only during the applicable Warranty Period.

XII. STAIN, VARNISH AND INTERIOR PAINT

General Comments These products generally protect the interior and exterior finished surfaces and are therefore subject to degradation due to the elements and normal wear and tear. As such, routine maintenance of paint, stain and/or varnish by the Buyer is required.

Possible Defects

1. Varnish or Lacquer Finishes Have Deteriorated. Builder will re-touch affected areas as needed one time during applicable Warranty Period.
2. Interior Paint Does Not Adequately Cover the Underlying Surface. The underlying surface should not be readily visible from a distance of six feet under normal lighting conditions. Builder will remedy non-conforming work only in the affected area, matching the color of the surrounding areas as closely as practical.
3. Spattered Paint, Visible Brush Marks, Visible Lap Marks. Paint spatters, brush marks and lap marks should not be readily visible from a distance of six feet under normal lighting conditions. Builder will remedy non-conforming work only in the affected area, matching the color of the surrounding area as closely as practical.
4. Other Repair Work. If repainting is required because of other work being done by Builder, Builder will attempt to match the color of the area to be painted with the color on the surrounding area as closely as practical. However, a perfect match should not be expected and is not a defect. Builder shall be required to repaint only if Builder originally painted the surface in question and Builder shall not be required to repaint an entire wall or room to achieve a perfect match.
5. Ceiling Texture Uneven. This is a condition normally encountered when imprecise methods are used to apply the coating or covering to the ceiling. It is not a defect and Builder will provide no remedy.
6. Resin Bleeds Through Coating on Interior Trim. This is a normal condition beyond the ability of Builder to control. It is not a defect and Builder will provide no remedy.

XIII. BASEBOARD TRIM

General Comments. If Buyer is responsible for interior painting and covering of the floors, he or she may need to remove the baseboard trim to install the floor covering. Builder is not responsible for and will not remedy damage to the trim during such removal or reinstallation by Buyer.

Possible Defects

1. Cracks or Spaces. Cracks in trim joints or spaces between trim and adjacent surface should not be excessive. Cracks or spaces exceeding 1/8 inch in width are excessive and will be remedied. Cracks or spaces 1/8 inch or less should be caulked by Buyer before painting.

2. Inside Corner Not Coped or Mitered. Square-edged trim may be butted. All other trim must be coped or mitered. Builder will remedy non-conforming work.
3. Mitered Edges of Trim or Molding Do Not Meet. Gaps between mitered edges in trim and molding shall not exceed 1/8 inch at the time the House is tendered to Buyer. Builder will remedy non-conforming work.
4. Interior Trim Split. Splits, cracks and checking are inherent characteristics of all wood products, especially as they dry over time. This is not a defect and Builder will provide no remedy.
5. Hammer Marks. Hammer marks should not be readily visible from a distance of six feet under normal lighting conditions. Builder will remedy non-conforming work, matching the color to the surrounding area as closely as practical.

XIV. INTERIOR DOORS

General Comments. The interior doors supplied by Builder for its houses have a hollow core. Buyer is cautioned that unusually rough treatment could result in damage to the doors and Builder is not responsible for and will not remedy the same.

Possible Defects

1. Warpage. Interior doors should not warp in excess of 1/4 inch. Doors warped in excess of 1/4 inch will be remedied by Builder. Any staining or painting of replacement doors is the responsibility of Buyer.
2. Bifold Doors Come Off Tracks. Bifold doors should slide smoothly and remain on their tracks during normal operation. Builder will repair non-conforming doors one time only during the applicable Warranty Period.
3. Door Rubs Jamb or Builder-installed Floor Covering; Latch Does Not Work. The doors should operate smoothly and latch properly. Builder will remedy any non-conforming doors one time only during the applicable Warranty Period.
4. Door Edge Not Parallel to Door Jamb. Doors which are greater than 3/16 inch from parallel with the jamb are unacceptable. Builder will remedy non-conforming doors.
5. Door Swings Open or Closed by Force of Gravity. Doors which swing open or closed by force of gravity alone are unacceptable. Builder will remedy non-conforming doors.
6. Pre-hung Doors are Hinge-bound. Doors should be movable smoothly with limited resistance. Builder will remedy non-conforming doors.

XV. FLUES AND FIREPLACES

General Comments. Because of the nature of a fireplace and flue and its usage, a dangerous or hazardous condition observed should be remedied before further use. If such a condition with respect to a Builder-installed fireplace and flue develops within the first year, Buyer should immediately notify Builder. After the first year, Buyer should immediately notify a specialist in that field for his or her own protection and safety.

Possible Defects

1. Fireplace or Chimney Does Not Consistently Draw Properly. A properly-designed and constructed fireplace and chimney shall function correctly. High winds can cause temporary negative or down drafts. Negative drafts can also be caused by obstructions such as tree branches, steep hillsides, adjoining houses, and interior furnaces. Some houses that have been constructed to meet stringent energy criteria may need to have a nearby window opened slightly to create an effective draft.
2. Firebox Paint Is Damaged by a Fire in the Fireplace. This is a normal condition. Heat and flames may cause discoloration.
3. Simulated Firebrick Panel Develops Cracks. This is a normal condition.
4. Rust Appears on Fireplace Damper. This is a normal condition.

XVI. CABINETS AND VANITIES

Possible Defects

5. Warpage. Builder will remedy excessive warpage of cabinet and vanity doors and drawers due to faulty material or workmanship and not resulting from improper use. Excessive warpage is that which exceeds 1/4 inch measured from the face frame to the point in the door or drawer of greatest warp when the door or drawer is in the closed position.
6. Gaps or Spaces Between Vanities or Cabinets and Adjacent Surfaces. Builder will remedy excessive gaps or spaces. Excessive gaps or spaces are those which exceed 1/4 inch in width. Remedy may include caulking or repositioning, at Builder's discretion.
7. Cabinets Do Not Line Up with Each Other. Cabinet faces more than 1/8 inch out of plane and cabinet corners more than 3/16 inch out of line are unacceptable. Builder will remedy non-conforming cabinets.
8. Cabinet Door or Drawer Binds. Cabinet doors and drawers should open and close with reasonable ease. Builder will remedy non-conforming doors and drawers.
9. Cabinet Doors Do Not Stay Closed. Left alone, cabinet doors should remain in a closed position. Builder will remedy non-conforming cabinet doors.
10. Laminate on Countertop Delaminates. Countertop materials should not delaminate. Builder will remedy any non-conforming countertop.
7. Countertop Unlevel. Countertops out of level more than 3/8 inch in 10 feet are unacceptable. Builder will remedy any non-conforming countertop. Correction may include shimming of countertop or cabinet(s).

XVII. FLOOR FINISHES

General Comments. Builder offers its customers several different options for the selection of both floors and floor coverings. Most all floors are well-suited for the floor coverings offered by Builder. There are also various floor coverings available to homeowners from outside sources which are not offered by Builder at all. Therefore, Buyer has the responsibility for determining what floor covering he/she desires and making certain he/she purchases the proper floor material from Builder. Failure to do so will relieve Builder from any obligation to remedy the possible defects listed in this section.

Preparation of the floor to accept the application of the floor covering is also a critically-important factor in the proper performance of the floor covering. Even if Buyer selects the proper flooring option for the type of floor covering he/she later installs, inadequate preparation of the floor can cause failure of the floor covering. If Builder installs the floor covering for Buyer, Builder will be responsible for preparing the floor to accommodate the installation of the floor covering. If Builder does not install the floor covering for Buyer, Builder will have no responsibility for failure of or defects in the floor covering caused by inadequate preparation of the floor.

Unless Builder installs the floor covering in Buyer's House, Builder shall not be responsible for the quality and performance of the work done or the materials used by the installer.

In the event Builder is responsible for remedying a specific defect listed in this section and Builder determines that all or part of the floor covering Builder originally installed needs to be replaced as the remedy, Builder will try to match the new materials to the existing materials as closely as practical. However a perfect match is not always possible. Builder is not responsible for discontinued patterns or slight color variations and such circumstances shall not require Builder to replace an entire floor covering to achieve a perfect match.

Possible Defects

1. Carpets

- a. Carpet does not meet at the seams. A visible gap at the seams of the carpet is unacceptable. If Builder installed the carpet, Builder will remedy any gaps at the seams of the carpet, one time only during the applicable Warranty Period.
- b. Carpet loosens or stretches. Carpet should not become loose, stretched or separated from the points of attachment. If Builder installed the carpet, Builder will remedy any non-conforming carpet it installed, one time only during the applicable Warranty Period.
- c. Spots or minor fading of the carpet. Readily visible spots or stains on the carpet as delivered and installed by Builder's carpet supplier or caused by Builder or someone representing Builder are unacceptable. Builder will remedy spotted or stained carpet for which Builder was responsible. However, any such defect must be brought to the attention of Builder within 30 days from release of House to Buyer. Minor fading occurs naturally in sunlight and is not a defect. Builder will provide no remedy for minor fading caused by sunlight.
- d. Dead spots in padding below carpet surface – Padding shall be consistent throughout the carpeted area. If Builder installed the carpet, Builder will remedy any non-conforming work involving the carpet padding.

2. Vinyl and Resilient Tile Flooring.

- a. Irregularities show through finished floor. Visible seams and irregularities in tile, linoleum and other finished flooring are not uncommon and will be exaggerated (i) if the proper floor underlayment for those types of finished flooring has not been selected or (ii) if the floor underlayment has not been properly prepared for installation of the finished floor covering pursuant to the manufacturer's installation recommendations. **If Buyer does not purchase the same from Builder, Buyer is responsible for selecting the proper floor underlayment and for properly preparing the underlayment and joints (or having them properly prepared) for the accommodation of the finish flooring material.**

A properly-selected and prepared floor underlayment may nevertheless have depressions or ridges due to irregularities in the materials. If the floor underlayment has been properly selected and prepared, depressions or ridges exceeding 1/4 inch in any 32-inch measurement constitute defects and will be remedied. Builder's remedy shall involve only the affected area and said remedy shall include the use of the same or similar finished flooring; however, said remedy shall not include or take into consideration discontinued patterns or color variations of floor covering.

- b. Nail pops appear on the surface of resilient flooring. If Buyer has selected Builder's wet area underlayment option and has properly prepared the underlayment and installed the floor covering according to the resilient flooring manufacturer's application instructions, nail pops which have broken the surface of resilient flooring will be remedied by Builder. Builder's remedy shall involve only the affected area and said remedy shall not include or take into consideration discontinued pattern or color variation of floor covering.
- c. Loss of adhesion. If Buyer has selected Builder's floor covering, it should not lift, bubble or detach. Builder will remedy any non-conforming work.
- d. Gaps at joints. Gaps at joints of sheet flooring should not exceed 1/8 inch. Builder will remedy non-conforming work. The remedy may be properly effected by the application of seam sealer.
- e. Patterns on roll vinyl floor covering are misaligned. If Buyer has selected Builder's floor covering, the patterns at seams between adjoining pieces shall be aligned to within 1/8 inch. Builder will remedy non-conforming work.

XVIII. MILLWORK

General Comments. Due to the natural weathering characteristics of wood products, cracks may develop in porch posts, carport posts, shutters, and the like. Such cracks should be expected, are not defects and will not be remedied. Buyer's next application of caulking, painting and/or other maintenance should remedy such condition.

XIX. CONDITION OF HOUSE AT TIME OF RELEASE

Problems, irregularities or other adverse conditions in or relating to the following will be covered by this Warranty and considered defects to be remedied by Builder only (a) if they result in actual loss or damage; and (b) if they resulted from the acts of Builder or its agents; and (c) if they are communicated in writing to Builder within thirty (30) days from the date of release of the House to Buyer:

1. Appearance of interior and exterior finished surfaces;
2. Chipping of porcelain, vitreous china and counter and vanity tops;
3. Torn or defective screens;
4. Broken glass, mirrors and lighting fixtures;
5. Appearance of siding and trim;
6. Appliance finishes;
7. Flat plane of uncovered walls and ceilings;
8. Stains or spots on carpeting;
9. Dents in metal doors;
10. Missing items.

APPLIES TO VIRGINIA ONLY

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
STATEMENT OF CONSUMER PROTECTIONS

THIS CONSUMER INFORMATION SHEET IS PROVIDED THROUGH THE BOARD OF
CONTRACTORS AND MAY BE REPRODUCED BUT NOT ALTERED

If you are about to engage the services of a contractor in the Commonwealth of Virginia, you should be aware of the state's program for the regulation of this occupation by licensing or certifying these businesses.

Any contractor who undertakes a project the total value of which is \$70,000 or more is required to have a valid Class A license issued by the Board of Contractors. Any contractor who undertakes a project the total value of which is over \$7,500 but less than \$70,000 must have a valid Class B license. A licensed contractor has met standards established by the Board for Contractors to ensure that the licensee possesses the character, knowledge, and skills necessary to practice without harm to the public.

Any contractor who undertakes a project the total value of which is more than \$1,000 but no more than \$7,500 is required to have a valid Class C license. Class C licensure requires that the contractor submit information to the Board for Contractors concerning the location, nature, and operation of the business, as well as evidence of experience and information on the applicant's credit history. Contractors who work in the plumbing, electrical or heating/ventilation/air-conditioning trades must have either a Class A or Class B license, or a Class C license, according to project amount.

Before signing any contract, you should ask to see the license or the pocket card issued with the license number and check to be sure that it has not expired and that the contractor is working within the limits of his licensure.

The authority of the Board for Contractors to discipline the licensed contractors is limited to specific violations of the law and/or regulations of the board, such as written citations from the local Building Inspectors for violations of the Virginia Uniform Statewide Building Code or practices which constitute abandonment, gross negligence, continued incompetence, or misconduct in the practice of the profession. In such cases disciplinary action by the board is limited to fines and/or revocation or suspension of the contractor's license, and such action can only be taken after a hearing or with the consent of the license holder and his agreement to waive his right to a hearing.

The board does not have the authority to order a license holder to make restitution to you for losses you may have incurred due to the contractor's poor performance, efforts to recover such funds must be made through the civil courts. If you are planning to take such action against the contractor, you should contact the Board for Contractors at (804) 367-8561 in order to receive information about the Virginia Contractors transaction Recovery Fund and the procedures for applying to recover from the fund if you are unable to collect after judgment is awarded in court.

Issues involving cosmetic defects in workmanship must be resolved by negotiation between you and your contractor or civil action to enforce the terms of your contract if necessary. You should be careful in reviewing the contract before signing it in order to be sure that the terms of the agreement are clear and acceptable to you. You should know that, customarily, the initial down payment is no more than 30% of the total value of the contract and that, if you are dissatisfied with the work performed by the sub-contractors, you may hold the general contractor responsible. Finally, remember that, in accordance with

the Virginia Home Solicitation Sales Act (Code of Virginia, Section 59.1-21.1 et seq.), you have a three-day right to cancel a contract which you have negotiated in your home. (For more precise information about the application of this law, see the Code of Virginia or seek legal advice.)

Should you have reason to believe that your contractor may not have complied with the rules and regulations of the Board for Contractors, you should notify the Department of Professional and Occupational Regulation by calling (804) 367-8504 or write to the following address:

Department of Professional and Occupational Regulation
Enforcement Division
3600 West Broad Street
Richmond, Virginia 23230-4917

The aforementioned information is not intended to be an exhaustive list of the remedies available to you through your local government or other agencies. If you need additional assistance, call the Virginia Department of Agriculture and Consumer Services, Citizens Assistance number at (804) 784-2042, or write to the following address:

Department of Agriculture and Consumer Services
Washington Building - Capitol Square
1100 Bank Street, Room 101
Richmond, Virginia 23219

THIS WARRANTY CANNOT BE CHANGED OR ALTERED IN ANY WAY REGARDLESS OF ANY REPRESENTATION OR STATEMENT TO THE CONTRARY. NEITHER BUYER NOR BUILDER'S AGENT OR REPRESENTATIVE HAS THE AUTHORITY TO CHANGE, ALTER, OR MODIFY ANY OF THE TERMS OR PROVISIONS OF THIS WARRANTY.

Signed by Buyer this _____ day of _____,
20_____.

Buyer

Buyer

BUYER HEREBY ACKNOWLEDGES AND CONFIRMS TO BUILDER (1) THAT THE FOREGOING WARRANTY (WHICH INCLUDES THE "AGREED STANDARDS") IS THE ONLY WARRANTY MADE OR GIVEN BY BUILDER CONCERNING OR APPLICABLE TO THE HOUSE TO BE BUILT BY BUILDER; (2) THAT NO ONE HAS MADE OR GIVEN TO BUYER ANY STATEMENTS OR REPRESENTATIONS THAT ARE IN ANY WAY CONTRARY TO THE TERMS AND PROVISIONS OF THE WARRANTY; (3) THAT BUYER HAS READ AND UNDERSTANDS THE WARRANTY; (4) THAT NO ONE HAS THE AUTHORITY TO VARY OR CONTRADICT ANY OF THE TERMS OR PROVISIONS OF THE WARRANTY; (5) THAT BEFORE ENTERING INTO THE CONTRACT WITH BUILDER, BUILDER HAS REQUESTED THAT BUYER FULLY EXAMINE THE MODELS AND BUYER HAS EXAMINED THE MODELS AT BUILDER'S NEW HOME GALLERY AS FULLY AS BUYER DESIRED OR BUYER HAS KNOWINGLY ELECTED NOT TO EXAMINE SAID MODELS; (6) THAT THE QUALITY AND PERFORMANCE OF THE HOUSE AND ITS CONSTRUCTION SHALL BE PURSUANT TO THE AGREED STANDARDS CONTAINED IN THIS WARRANTY.

Buyer

Buyer

The following acknowledgment to be completed in ILLINOIS and MISSOURI only:

BUILDER HEREBY EXPRESSLY DISCLAIMS THE IMPLIED WARRANTY OF HABITABILITY CREATED BY CASE LAW IN THE STATE IN WHICH THE HOUSE WILL BE BUILT, AND ANY OTHER STATUTORY IMPLIED WARRANTY OF HABITABILITY. THE CONSEQUENCE OF SUCH DISCLAIMER BY BUILDER IS THAT, EXCEPT AS EXPLICITLY STATED IN THIS LIMITED WARRANTY DOCUMENT, BUILDER WILL NOT BE LIABLE IF THE HOUSE IS NOT OF REASONABLE STRUCTURAL QUALITY AND IS NOT REASONABLY FIT FOR USE AS A RESIDENCE. BUILDER'S SOLE AND EXCLUSIVE WARRANTY GIVEN TO BUYER IN CONNECTION WITH THIS AGREEMENT IS THE LIMITED WARRANTY EXPRESSLY SET FORTH HEREIN. BUYER'S INITIALS ADJACENT TO THIS PARAGRAPH ARE INTENDED AS AND SHALL BE EVIDENCE OF (1) BUYER'S ACKNOWLEDGMENT OF BUILDER'S DISCLAIMER OF SUCH IMPLIED WARRANTY OF HABITABILITY AND OF BUYER'S ACCEPTANCE OF THE LIMITED WARRANTY SET FORTH HEREIN AS THE SOLE AND EXCLUSIVE WARRANTY OFFERED BY BUILDER IN CONNECTION WITH THE SALE OF THE HOUSE, AND (2) BUYER'S KNOWING RELINQUISHMENT OF THE PROTECTION OF THE IMPLIED WARRANTY OF HABITABILITY AND ALL OTHER IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, SUITABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(Buyer's
Initials)

(Buyer's
Initials)

Buyer

Buyer

To be completed in all states:

RECEIPT

I hereby acknowledge that I received Jim Walter Homes, Inc., Limited Warranty Booklet
this _____ day of _____, 20_____.

Buyer

Buyer

*Thank You
Steve Campbell
Div. Const. Mgr
S. Atlantic Div*

-----Original Message-----

From: Tom Emerson
Sent: Wednesday, October 24, 2007 8:41 AM
To: Chuck Knorp
Cc: Steven Campbell; Jeff Thofner
Subject: FW: Please Pass It On

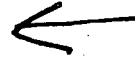
Here is another email sent to our Rep from Shilon Green.

-----Original Message-----

From: Ronnie Ham
Sent: Wednesday, October 24, 2007 8:37 AM
To: Tom Emerson
Cc: Steven Campbell
Subject: FW: Please Pass It On

-----Original Message-----

From: Shilon Green [mailto:shilongreen@yahoo.com]
Sent: Wednesday, October 24, 2007 8:34 AM
To: Ronnie Ham
Subject: Please Pass It On

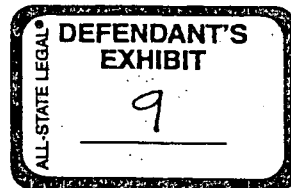


Ronnie/Steve/Tom

After thinking about this situation after I got off the phone with Steve last night, I don't think that I should have to make September's & October's payment. I know that Steve said on last the Tom think's that I just don't want to make my October's payment, well like I said after thinking it over, you are correct. Like I stated, I am now satisfied with my home. Granted you that the home was finally completed on October 17, 2007. Yes I do not think that I owe September's and October's payment. I am willing to make a payment this month, but it will not be for October's payment. It will be for November's payment. Understand that I had to wait to put my carpet down and I have to repaint the area's that the sheetrock man redone on last week. I will forward you all a copy of the pictures that I took when he fixed the problems and after another guy came back the next day to sand the walls down. Like explain to Steve and I hope you understand this, if this was taken care in the beginning I had no other choice, but to pay your company. Money is not the issue. God has blessed in this business, but it's all about fairness. We wasn't the one that made the mistake. Steve like I explain to you before, in 6 months, I'm going to refinance my home. It has to be seasoned for 6 months and I have to show 6 months of payment history, so the sooner I start, the sooner I will be done with Walter Mortgage Co. So I'm willing to make a payment, but will be for November's payment. Now you put this writing and I will sign it. The only thing that I have to do in order to be able to move in my home is get the house repainted and put the carpet down.

Do You Yahoo!?

Tired of spam? Yahoo! Mail has the best spam protection around
<http://mail.yahoo.com>



From: Chuck Knorp
 Sent: Monday, November 05, 2007 1:48 PM
 To: Steven Campbell; Jeff Thofner; Tom Emerson
 Cc: Ray Hardwick; Kay Peebles
 Subject: RE: Shilon Green

I think Tom has been right all along and we need to pursue aggressively as he will never let us resolve!

-----Original Message-----

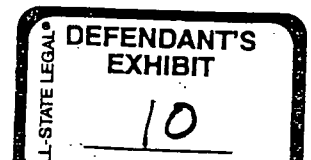
From: Steven Campbell
 Sent: Monday, November 05, 2007 1:44 PM
 To: Chuck Knorp; Jeff Thofner; Tom Emerson
 Cc: Ray Hardwick; Kay Peebles
 Subject: Shilon Green

I received a call at 1:00 pm. from Ray who had just finished a conversation with Mr. Green and Ray stated that Mr. Green complained that the inspector never showed up Friday for the co inspection. Ray explained that we had a sub go wednesday to complete the exterior repairs that the inspector had found on his inspection tuesday (that Mr. Green did not show up for to let him in the home) Ray also stated that we had a sub-contractor on site at 4:00pm on thursday because that is when the inspector said he would get back to do the inspection but never showed up because he stated he could not get in touch with Mr. Green to allow him in the home. Furthermore we had a subcontractor on site friday morning and met the inspector on site to complete the co inspection but once again

Mr. Green was no where to be found and would not answer any calls, this is when he called Ray a liar that he has been on site everyday all day. Ray did not get involved into a discussion with Mr. Green at that time he called me. I have been involved in most of this process I personally spoke with the Inspector on Friday who was just leaving Mr. Greens property to go to another inspection but was going to stop by later to try to catch Mr. Green at home the inspector also stated that the issues outside had been satisfied and that Mr. Green was concerned that he had not yet completed all of his flooring but David the inspector told me that

would not be an issue he would still pass the co for us without that being complete he just needed to get in the home to inspect it. So after I received the call this afternoon from Ray I called the inspector and he agreed to allow me to call and conference in Mr. Green to schedule the co inspection. I put David on hold and called Mr. Green he answered and I explained who I was and let him know that I had David the inspector on the phone and was going to conference him in to schedule the co inspection so that everyone would be clear what date and time we were all going to meet. Mr. Green at that point refused to let me conference in David so I insisted that we needed to get him on the phone to schedule this and Mr. Green stated that David said he would contact me thank you and he hung the phone up not allowing me to schedule the co. It is appaarent Mr. Green is stalling and not allowing us to get the co do you have any suggestions?

*Thank You
 Steve Campbell
 Div. Const. Mgr
 S. Atlantic Div*





4211 W. BOY SCOUT BLVD., TAMPA, FL 33607
P.O. BOX 31601, TAMPA, FL 33631-3601
1-800-925-8374

07/10/2007

NATASHA L. GREEN
GREEN SHILON L.
927 S. ELEVENTH ST.
MCBEE, SC 29101-9101

Account #: 20109043

First Payment Due Date: 09/05/2007

Dear New Homeowner,

CONGRATULATIONS ON THE PURCHASE OF YOUR NEW HOME!

We at Walter Mortgage Company, would like to take this opportunity to welcome you as a new customer. Walter Mortgage Company is an affiliate of your builder. We have purchased your account and our company will be providing the customer service and payment processing needs for your new home.

We know that moving into a new home can be an exciting and sometimes stressful time. In an effort to make this an easier transition, we have customer service representatives ready to assist you with any questions you may have concerning your account. Our toll free customer service telephone number is 1-800-925-8374 and is staffed between 8:00 a.m. and 5:00 p.m. ET, Monday through Friday. Our customer service telephone numbers will also be listed on the back of your monthly statement.

We have enclosed a pamphlet that will explain your monthly Statement of Account. You should receive your statement each month outlining any activity on your account. At times, we may notify you of important information via a message that will appear on your monthly statement. **Please refer to your first payment due date and account number at the top of this letter.**

To avoid delays in having your payment processed, **please make sure to include your entire 8-digit account number listed at the top of this letter on your check or money order** and mail all payments along with the bottom portion of your statement in the convenient return envelope to:

Walter Mortgage Company
P.O. Box 31622
Tampa, FL 33631-3622

Please check your address at the top of this letter to ensure that we have it listed correctly in our files. If any corrections need to be made, please contact us at the customer service number listed above. Our records do not automatically change from your current address to your new home address.

If you are not currently enrolled in our Escrow Program, we do offer Escrow to assist our customers in managing property taxes and insurance premiums. Please contact our customer service department with any questions. If you have not already provided proof of insurance and a paid tax receipt to your builder when your home was released to you, please mail a copy of your policy and tax receipt including your 8 digit account number to: P.O. Box 30487, Tampa FL 33630-3487 or fax it to (813) 871-4017. Please be sure to take advantage of any discounts such as homestead credits offered by your taxing authority. It is very important that the mortgagee clause on your insurance policy reads: Walter Mortgage Company P.O. Box 30487, Tampa FL 33630-3487

Thank you for allowing us to service your account.

COUNTY OF CHESTERFIELD

Walter Mortgage Company

Plaintiff(s)

v.

Natasha L. Green and Shilon L. Green

Defendant(s)

IN THE COURT OF COMMON PLEAS

CIVIL ACTION COVERSHEET

08-CP-13

051

FILED
CLERK OF COURT
JAN 23 P 2:30
CHESTERFIELD COUNTY, SC

(Please Print)

Submitted By: J. Kershaw Spong

Address: Robinson, McFadden & Moore, P.C.

Post Office Box 944

Columbia, SC 29202

SC Bar #: 5289

Telephone #: (803) 779-8900

Fax #: (803) 771-9411

Other:

E-mail: kerk@robinsonlaw.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the Clerk of Court for the purpose of docketing. It must be filled out and signed, and dated. A copy of this cover sheet must be served on the defendant(s) along with the Summons and Complaint.

DOCKETING INFORMATION (Check all that apply)

*If Action is Judgment/Settlement do not complete

- ☐ JURY TRIAL demanded in complaint. ☒ NON-JURY TRIAL demanded in complaint.
☐ This case is subject to ARBITRATION pursuant to the Court Annexed Alternative Dispute Resolution Rule.
☐ This case is subject to MEDIATION pursuant to the Court Annexed Alternative Dispute Resolution Rule.
☒ This case is exempt from ADR (certificate attached).

NATURE OF ACTION
(Check One Box Below)

- | | | | |
|---|--|---|--|
| Contracts
☐ Construction (100)
☐ Debt Collection (110)
☐ Employment (120)
☐ General (130)
☐ Breach of Contract (140)
☐ Other (199) | Torts - Professional Malpractice
☐ Dental Malpractice (200)
☐ Legal Malpractice (210)
☐ Medical Malpractice (220)
☐ Notice/File Med Mal (230)
☐ Other (299) | Torts - Personal Injury
☐ Assault/Slander/Libel (300)
☐ Conversion (310)
☐ Motor Vehicle Accident (320)
☐ Premises Liability (330)
☐ Products Liability (340)
☐ Personal Injury (350)
☐ Wrongful Death (360)
☐ Other (399) | Real Property
☐ Claim & Delivery (400)
☐ Condemnation (410)
☒ Foreclosure (420)
☐ Mechanic's Lien (430)
☐ Partition (440)
☐ Possession (450)
☐ Building Code Violation (460)
☐ Other (499) |
|---|--|---|--|

Inmate Petitions

- ☐ PCR (500)
☐ Sexual Predator (510)
☐ Mandamus (520)
☐ Habeas Corpus (530)
☐ Other (599)

Judgments/Settlements

- ☐ Death Settlement (700)
☐ Foreign Judgment (710)
☐ Magistrate's Judgment (720)
☐ Minor Settlement (730)
☐ Transcript Judgment (740)
☐ Lis Pendens (750)**
☐ Other (799)

Administrative Law/Relief

- ☐ Reinstate Driver's License (800)
☐ Judicial Review (810)
☐ Relief (820)
☐ Permanent Injunction (830)
☐ Forfeiture (840)
☐ Other (899)

Appeals

- ☐ Arbitration (900)
☐ Magistrate-Civil (910)
☐ Magistrate-Criminal (920)
☐ Municipal (930)
☐ Probate Court (940)
☐ SCDOT (950)
☐ Worker's Comp (960)
☐ Zoning Board (970)
☐ Administrative Law Judge (980)
☐ Public Service Commission (990)
☐ Employment Security Comm (991)
☐ Other (999)

Special/Complex/Other

- ☐ Environmental (600)
☐ Automobile Arb. (610)
☐ Medical (620)
☐ Other (699)
☐ Pharmaceuticals (630)
☐ Unfair Trade Practices (640)
☐ Out-of-State Depositions (650)

Submitting Party Signature: [Signature]

Date: January 16, 2008

Note: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. §15-36-10 et. seq.

FOR MANDATED ADR COUNTIES ONLY

SUPREME COURT RULES REQUIRE THE SUBMISSION OF ALL CIVIL CASES TO AN ALTERNATIVE DISPUTE RESOLUTION PROCESS, UNLESS OTHERWISE EXEMPT.

You are required to take the following action(s):

1. The parties shall select a neutral within 210 days of filing of this action, and the Plaintiff shall file a "Stipulation of Neutral Selection" on or before the 224th day after the filing of the action. If the parties cannot agree upon the selection of the neutral within 210 days, the Plaintiff shall notify the Court by filing a written "Request for the Appointment of a Neutral" on or before the 224th day after the filing of this action. The Court shall then appoint a neutral from the Court-approved mediator/arbitrator list.
2. The initial ADR conference must be held within 300 days after the filing of the action.
3. Case are exempt from ADR only upon the following grounds:
 - a. Special proceeding, or actions seeking extraordinary relief such as mandamus, habeas corpus, or prohibition;
 - b. Cases which are appellate in nature such as appeals or writs of certiorari;
 - c. Post Conviction relief matters;
 - d. Contempt of Court proceedings;
 - e. Forfeiture proceedings brought by the State;
 - f. Cases involving mortgage foreclosures; and
 - g. Cases that have been submitted to mediation with a certified mediator prior to the filing of this action.
4. Motion of a party to be exempt from payment of neutral fees due to indigency should be filed with the Court within ten (10) days after the ADR conference had been concluded.

Please Note: You must comply with the Supreme Court Rules regarding ADR. Failure to do so may affect your case or may result in sanctions.

* Florence, Horry, Lexington, Richland, Greenville, and Anderson

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

Walter Mortgage Company,

Plaintiff,

v.

Natasha L. Green and Shilon L.
Green,

Defendants.

IN THE COURT OF COMMON PLEAS
FOURTH JUDICIAL CIRCUITCERTIFICATE OF
EXEMPTION / WITHDRAWAL
FROM ARBITRATION / MEDIATION

Case No.: 08-CP-13-23

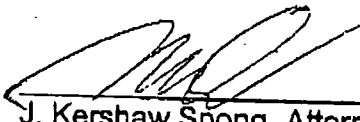
FILED
CLERK OF COURT
09 JAN 23 2 39
CHESTERFIELD COUNTY, SC

I CERTIFY THAT THIS ACTION IS EXEMPT FROM ARBITRATION BECAUSE:

- ☒ monetary relief requested in this case exceeds \$25,000.00;
- ☒ this is a class action;
- ☒ there is a substantial claim for injunction or declaratory relief in this case;
- ☒ this case involves (check one or more of the following)
- ☐ title to real estate;
- ☐ wills, trusts and decedents' estates;
- ☒ mortgage foreclosure;
- ☐ partition;
- ☐ this is a special proceeding or action seeking extraordinary relief such as mandamus, habeas, corpus, or prohibition;
- ☐ monetary relief requested in this case is unspecified but exceeds \$25,000;
- ☐ this case is a companion or related to similar actions pending in other courts with which the action might be consolidated but for lack of jurisdiction or venue;
- ☐ this action is appellate in nature;
- ☐ this is a post-conviction relief matter;
- ☐ this is a forfeiture proceeding brought by the State; or
- ☐ this is a contempt of court proceeding.

A True Copy, Attest
Jaye S. Bell
CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

Date: January 16, 2008


J. Kershaw Spong, Attorney for Plaintiff

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

) IN THE COURT OF COMMON PLEAS

Walter Mortgage Company,

Case No.: 08-CP-13- 25

Plaintiff,

SUMMONS

v.

(Mortgage Foreclosure)

(No Deficiency Judgment Demanded)

Natasha L. Green and Shilon L. Green,

Non-Jury

Defendants.

A True Copy, Attest

*Boye S. Sellers*TO: THE DEFENDANTS ABOVE NAMED: CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

YOU ARE HEREBY SUMMONED and required to answer the Complaint in the above entitled action, copy of which is herewith served upon you, and to serve copy of your answer upon the undersigned at their offices, Robinson, McFadden & Moore, P.C., 1901 Main Street, Suite 1200, Columbia, South Carolina, within Thirty (30) days, after service hereof upon you, exclusive of the day of such service, and if you fail to answer the Complaint within the time aforesaid, judgment will be rendered against you for the relief demanded in the Complaint.

YOU WILL ALSO TAKE NOTICE that the undersigned attorney on behalf of the Plaintiff herein, will seek the agreement and stipulation of all parties not in default for an Order of Reference to the Special Referee stipulating that said Special Referee may enter a final judgment in this case.

J. Kershaw Spong
J. Kershaw Spong
ROBINSON, MCFADDEN & MOORE, P.C.
P.O. Box 944
Columbia, S.C. 29202
(803) 779-8900

Attorneys for the Plaintiff

January 16, 2008

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

Walter Mortgage Company,

Plaintiff,

v.

Natasha L. Green and Shilon L. Green,

Defendants.

) IN THE COURT OF COMMON PLEAS

Case No.: 08-CP-13- 25

COMPLAINT

(Mortgage Foreclosure)

(No Deficiency Judgment Demanded)

Non-Jury

A True Copy, Attest

*Jaye S. Lelkes*CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SCFILED
CLERK OF COURT
MAR 13 2 39 PM
08

The Plaintiff above named, complaining of the Defendants herein, alleges that:

1. Plaintiff is a corporation duly organized and existing under and by virtue of the laws of the United States.
2. Upon information and belief, the Defendants **Natasha L. Green** and **Shilon L. Green** are residents and citizens of the County of **Chesterfield**, State of **South Carolina**, and that the subject of this action is real property located in the County of **Chesterfield**, State of **South Carolina**.
3. Heretofore, under date the 7th day of **March, 2007**, Defendants **Natasha L. Green** and **Shilon L. Green** entered into a construction agreement whereby **Jim Walter Homes, Inc.** agreed to build a house for Defendants on credit. A true copy of said agreement is attached as **Exhibit A**. Also, heretofore, under date the 7th day of **March, 2007**, Defendants **Natasha L. Green** and **Shilon L. Green** made, executed, and delivered to **Jim Walter Homes, Inc.** a certain **Financing Agreement** in writing, wherein and whereby they promised to pay to **Jim Walter Homes, Inc.** the sum of **One Hundred Twenty-Three Thousand Three Hundred Thirty-Three and no/100 Dollars**

✓

(\$123,330.00), plus a finance charge at the rate of **11.0%** per annum on the unpaid balance; said principal and finance charge being payable in monthly installments of **One Thousand One Hundred Seventy-Four and 50/100 Dollars (\$1,174.50)**, on the terms stated therein until said financing agreement is fully paid. The Financing Agreement is attached as **Exhibit B**.

4. In order to secure the payment of the Financing Agreement, the said Defendants did on the same date, to-wit, the **7th day of March, 2007**, make, execute, and deliver to **Jim Walter Homes, Inc.**, its successors and assigns, a certain mortgage covering real property located in the County and State aforesaid and in said mortgage described as will more fully appear by reference to **Exhibit "C"** attached hereto and made a part hereof.

5. Thereafter, on the **16th day of April, 2007**, said mortgage was recorded in the Office of the Clerk of Court for Chesterfield County in **Book 419 at page 960**.

6. Thereafter, by assignment dated the **8th day of January, 2008**, and recorded in said Clerk of Court's Office, the said **Jim Walter Homes, Inc.** assigned said mortgage to the Plaintiff, which is now the owner and holder thereof and the debt secured thereby.

7. In and by the terms of said Financing Agreement and the mortgage securing same, it is provided, among other things, that on failure to pay any installment of either principal or finance charge or any portion thereof when due, or if any of the conditions and requirements in the mortgage securing the same be not complied with, then the whole principal sum and accrued finance charge shall at the option of the legal

holder thereof become at once due and payable without notice, and collectible by foreclosure.

8. In and by the terms of the said Financing Agreement it is further provided that the makers thereof shall pay a reasonable sum as and for an attorney's fee if the said Financing Agreement be placed in the hands of an attorney for collection after default.

9. The installments of principal and finance charges falling due from and after the **October 5, 2007**, have not been paid although demand for the payment thereof has been made and the Plaintiff, as the holder of the said Financing Agreement and mortgage, has and does hereby elect to declare the entire balance of said principal and finance charges due and payable at once; that there is now due and owing and unpaid upon the said Financing Agreement and mortgage the full and just principal sum of **One Hundred Twenty-Three Thousand Three Hundred Thirty and no/100 Dollars (\$123,330.00)**, together with finance charges thereon at the rate of **11.0%** per annum from the **September 5, 2007**, together with a reasonable sum as attorney's fees for the collection thereof and the costs of this action.

10. The Plaintiff demands no personal or deficiency judgment and any right to the same is specifically waived.

WHEREFORE, Plaintiff prays judgment that:

(a) The amount due upon the said Financing Agreement and mortgage held by the Plaintiff be ascertained and determined under the direction of this Court, together with attorney's fees and costs of this action.

(b) Plaintiff's mortgage be declared a first mortgage lien and that Plaintiff have judgment of foreclosure for the amount so found to be due and owing thereon, together with any taxes or insurance premiums which may be due or which may be or have been paid by Plaintiff, with a reasonable sum as attorney's fees, and for the costs of this action.

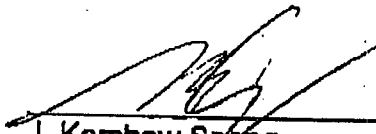
(c) The mortgaged premises be sold according to law and the practice of this Court, the equity of redemption be barred, and that the proceeds of sale be applied as follows:

First, to the costs and expenses of the within action and said sale;

Second, to the payment and discharge of the amount due on Plaintiff's Financing Agreement and mortgage, together with attorney's fees as aforesaid; and

Third; the surplus, if any, be distributed according to law.

(d) For such other and further relief as may be just and proper.


J. Kershaw Spang
ROBINSON, MCFADDEN & MOORE, P.C.
P.O. Box 944
Columbia, S.C. 29202
(803) 779-8900

Attorneys for the Plaintiff

January 16, 2008

Columbia, South Carolina

**NOTICE UNDER THE
FAIR DEBT COLLECTION
PRACTICES ACT, (THE ACT)
15 U.S.C. SECTION 1601 AS AMENDED**

1. The amount of the debt is that as stated in the complaint attached hereto.
2. The Creditor is the Plaintiff as named in the summons and complaint attached hereto.
3. The debt described in the complaint attached hereto will be assumed to be valid by the Creditor's law firm unless you, the debtor, within thirty (30) days after the receipt of this notice, dispute, in writing, the validity of the debt or some portion thereof.
4. If you, the debtor, notify the Creditor's law firm in writing within thirty (30) days of the receipt of this notice that the debt or any portion thereof is disputed, the Creditor's law firm will obtain a verification of the debt and a copy of the verification will be mailed to you, the debtor, by the Creditor's law firm.
5. If the Creditor named in the attached Complaint is not the original Creditor, and if you make a written request to the Creditor's law firm within the thirty (30) days from the receipt of this notice, the name and address of the original Creditor will be mailed to you by the Creditor's law firm.
6. Written requests should be addressed to J. Kershaw Spong, Esquire, Robinson, McFadden & Moore, P.C., Post Office Box 944, Columbia, South Carolina 29202.
7. This notice is an attempt to collect a debt and information obtained will be used for that purpose.

**SOUTH CAROLINA
CONSTRUCTION AGREEMENT****JIM WALTER HOMES, INC.**
(with Limited Warranty)THIS AGREEMENT made this 7th day MARCH of 20 07
between Natasha L Green & Shon L Greenhereinafter referred to as "Buyer",
whose address is 927 S. Elworth St., McBee, SC, 29101
and **JIM WALTER HOMES, INC.**, a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard,
Tampa, Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller".**WITNESSETH:**In consideration of the payment by Buyer to Seller of the sum of \$ 123,900.00 (hereinafter
referred to as "Purchase Price"), payable as hereinafter set forth, Buyer and Seller hereby agreed as follows:

1. **Description of House.** Seller agrees to build a house, according to the plans and specifications and Exhibits "A", "B", and "D", executed in conjunction herewith and furnished to Buyer prior to the execution of this contract, which are by reference made a part hereof as if fully rewritten herein, on the real property of Buyer located at 401 Union Church Road, McBee, SC 29101, Charleston County having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

2. **Payment Draw Schedule.** Buyer shall pay the Purchase Price as follows (check one):

(a) Payment pursuant to the attached Draw Schedule Acknowledgement from Buyer's own reserve of cash funds.

(b) Payment pursuant to the attached Loan Commitment Letter with Draw Schedule provided by Buyer's lending institution.

HLA (c) Payment pursuant to a Seller-financed installment sale, subject to Seller approving Buyer for an extension of credit and Buyer signing all additional documents required by Seller. In the event Buyer is not approved for Seller-financing, this Agreement is null and void.

For payment options 2(a) and 2(b), when Seller determines that there has been substantial completion of its contract obligations hereunder, and thereby determines that the remaining portion of the Purchase Price is due from the Buyer, Seller shall so notify Buyer in writing of such determination and such amount shall become immediately due and payable. Substantial completion occurs when the Seller determines that it has performed its obligations as set forth in the contract, with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate"; and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items, and such remaining items will not prevent Buyer from preparing the House for occupancy. If Buyer fails to make immediate payment, interest at the rate of ten percent (10%) per annum will begin accruing ten (10) days thereafter on any amount remaining outstanding until paid. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

The Purchase Price does not contemplate any revisions or alterations to the basic home model selected by Buyer that may be necessary due to site conditions or local governmental ordinances. In the event that Seller determines that additional costs are required, the parties agree to re-execute a new Agreement or either party may declare this Agreement null and void upon notice to the other.

Under Seller's incremental building concept, it is possible for Buyer to select a combination of interior finishing options from Seller which Seller cannot complete until Buyer first completes certain other work or items Buyer has reserved for Buyer to complete or provide. In such event, when Seller has completed as much work as it can until Buyer completes Buyer's own work, Seller shall promptly notify Buyer of such fact. If within fourteen (14) days of such notification, Buyer completes Buyer's own work necessary to allow Seller to then complete Seller's remaining construction obligations, the payment schedule selected above shall be followed. If, however, Buyer fails to complete Buyer's own such work within fourteen (14) days, Buyer's remaining indebtedness to Seller shall be due and payable in full at the end of such fourteen (14) day period and will accrue interest at the rate of ten percent (10%) per annum until paid.

3. **No Oral Representations; Joint and Several Liability; Arbitration Agreement.** This instrument and the other instruments executed in conjunction herewith set forth the price and all the terms, promises, agreements, conditions and understandings between Buyer and Seller relative to the construction and purchase of the House to be built hereunder, and there are no other promises, agreements, conditions or understandings either oral or written between them other than as set forth herein. If two (2) or more persons are named herein as Buyer, their obligations shall be joint and several. Before this contract will become effective, it must be approved by an authorized representative of Seller. IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.

4. Completion Date. NO COMPLETION DATE HAS BEEN REPRESENTED OR IS A PART OF THIS CONTRACT.

5. Soil Testing. Seller assumes no responsibility or obligation for, and in fact disclaims any responsibility or obligation for any testing, study or knowledge with respect to whether Buyer's site is suitable or proper for the construction of the House. Buyer hereby expressly warrants to Seller that Buyer has made and performed any and all reasonable or necessary testing, study, and investigation, or that Buyer has knowingly elected to forego any such testing, study and investigation and that Buyer's site is in fact, or deemed by Buyer to be, suitable and proper for the construction of the House to be built by Seller. Buyer acknowledges, understands and agrees that, in agreeing to build the House on the site selected by Buyer, Seller is relying upon Buyer's representation and warranty that the site is in fact suitable and proper for the construction of the House, including but not limited to the suitability and propriety of the foundation option selected by Buyer.

6. Footings and Foundation. Seller will be responsible for constructing any concrete footings for walls and piers as described in the Exhibit "B" incorporated herein. Any additional labor and/or materials required by reason of deficiencies in soil conditions not known to Seller until after excavation is completed, which would require extra footings, reinforcing, piers, concrete block or concrete walls, will be paid for by Buyer in addition to the Purchase Price.

7. Pilings. Unless pilings are specified for this House, either in the plans attached hereto or in "Exhibit A" attached hereto, they are not a part of this contract, will not be provided by Seller and are not included in the price contained in this contract. Unless otherwise required by locally-adopted code, regulation or the like, or unless otherwise agreed in writing by the parties hereto, if pilings are so specified, they shall be set into the ground. The depth into the ground they are to be set will be determined by any relevant, locally-adopted code; if there is no such code, they will be set to the depth established by Seller. In the event Buyer requires that they be set to a depth greater than that determined by code or by Seller, as the case may be, this contract and all related documents, at Seller's option, may be cancelled and rendered null and void, with any downpayment, less expenses actually incurred by Seller, being returned to Buyer. Commencement of construction shall not be deemed a waiver of Seller's right to cancel pursuant to this paragraph.

Unless otherwise specified in writing in this contract and/or the documents relating to it, Seller will install the specified pilings so that the maximum height of the building from the grade as measured from the bottom of the floor joists to the ground surface shall be eight (8) feet. The height of the remainder of the building from the grade is dependent upon the contour, slope or elevation of the ground at the point of installation of each remaining piling and uneven sites may significantly reduce this eight (8) foot maximum clearance.

8. Site Preparation. Locating the House on Lot. Buyer is responsible for ensuring the suitability of and preparing the building site for construction. Such preparation includes, but is not limited to, grading and removal of trees, bushes, shrubs, debris and other such material. Buyer is responsible for precisely locating and siting by use of stakes the desired and proper location and position of the House on the building site and in the event Buyer fails to promptly do so, Seller is entitled to do so on Buyer's behalf; however Seller's doing so shall not relieve Buyer's responsibility for staking the desired and proper location and situation of the House, and in the event Seller does so, it shall be conclusively presumed that the location and position of the House are as instructed and desired by Buyer. Buyer is responsible for all clean-up work to the House and the property after Seller has performed its obligations hereunder.

9. Buyer's Responsibilities. Unless the Buyer has opted on Exhibit "A" for a turnkey stage of completion, this contract between Buyer and Seller is for the construction and sale of a partially-completed House. Seller is required to provide or perform only those items, duties and obligations specifically set forth herein. Any items or work necessary or desirable beyond or in addition to those specifically set forth herein shall be the responsibility of the Buyer. Some such items may include, but are not limited to, the availability, permitting, and installation of a septic system, water, electricity, gas, telephone and other utilities. Buyer is also responsible for obtaining the final Certificate of Occupancy, or its equivalent, for the House unless Buyer has opted for the turnkey stage of completion.

10. Limited Warranty. In conjunction with and as a part of the transaction evidenced by this Construction Agreement, Seller is extending to Buyer a Limited Warranty setting forth the standards pursuant to which the House will be constructed and agreeing to remedy certain items should they become defective during the applicable warranty period. The Limited Warranty is a part of the transaction whereby Buyer has contracted with Seller to construct and sell the House; however, with respect to all matters addressed therein, the Limited Warranty supersedes and controls all other contract documents, discussions and representations. Neither any of the contract documents nor any discussions or representations can change, modify or override the Limited Warranty. The Limited Warranty cannot be changed or altered in any way and neither Buyer nor Seller's agents or employees have any authority to do so.

11. DISCLAIMER OF ALL OTHER WARRANTIES: TO THE EXTENT SELLER CAN LAWFULLY DO SO, SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF SAID LIMITED WARRANTY.

12. Indemnification. Buyer hereby indemnifies Seller for any action(s) taken by Seller in reliance upon the statements made by Buyer herein or directions and instructions given by Buyer to Seller in performing the work contemplated hereunder.

13. Cancellation of Contract. In the event Buyer fails to perform any activities or duties required of Buyer (e.g., failure of Buyer to prepare site for construction or, where applicable, failure of Buyer to complete construction of Buyer's own foundation, failure to obtain financing from third-party lender or fails to provide land suitable for building, failure to clear up all title or contract issues), which failure prevents Seller from commencing construction for a period of sixty (60) days from the date hereof, Seller, at its option, may cancel this contract and retain or recover from Buyer the costs incurred up to the date notice of such cancellation is given to Buyer. In the event the contract is cancelled for any other reason, Seller retains the right to recover from Buyer the Seller's cost incurred such as the costs of survey, permitting, title search, perk test, recording fees, and Seller's lost profits incurred up to the date of cancellation. Thereafter, neither Buyer nor Seller shall have any further claim against the other.

14. Buyer Prohibited From Performing Work On House Until House Released By Seller. Exceptions. Until such time as Seller "releases" the House to Buyer, as set forth in the Limited Warranty, Buyer shall not be permitted to perform any labor in or add any materials to the interior of the House which could in any way hinder Seller's ability to finish its contract obligations hereunder. However, Seller will permit Buyer to "rough in" duct work and to provide for telephones and television antennas during the course of Seller's performance and before the release of the House to Buyer. Until such time as the release of the House to Buyer occurs, Seller is entitled to, and Buyer hereby grants Seller, full and unrestricted ingress and egress to and use of the above-described property to do and perform all acts, works and construction Seller deems reasonable and necessary to perform or fulfill Seller's activities and obligations hereunder in such manner and at such time as Seller elects.

15. Lien. Failure of this Seller or its Subcontractors or Suppliers to pay those persons supplying material or services to complete this contract can result in the filing of a lien on the above-described property which is the subject of this contract. Subcontractors may be retained on Seller's behalf for labor services on the House. Any agreement between Buyer and Subcontractor shall be separate and apart from this contract, and any responsibility for payment associated therewith shall be the sole responsibility of Buyer.

16. Attorneys' Fees. Buyer shall pay Seller's reasonable legal costs and attorneys' fees incurred in successfully enforcing this contract against Buyer.

17. Enforceability of Contract Provisions. Should any provision of this Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

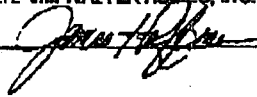
18. Governing Law. This Construction Agreement with Limited Warranty shall be governed by and construed in accordance with the laws of the State of South Carolina.

19. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (i) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (ii) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

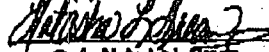
20. Contract Execution. Should more than one Buyer execute this contract, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other. When signed by Buyer, this Agreement becomes an offer to purchase, and upon signature by Seller, becomes a legally binding contract.

IN WITNESS WHEREOF, Buyer and Seller have executed this Construction Agreement on the day and year first above written.

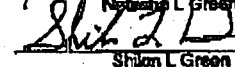
SELLER: JIM WALTER HOMES, INC.

BY: 

BUYER(S):

 (SEAL)

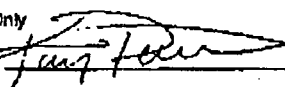
Nicholas L. Green

 (SEAL)

Shilon L. Green

BUYER'S RIGHT TO CANCEL

YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

Internal Use Only	
Reviewed by:	
Date:	3/9/07

**SOUTH CAROLINA
FINANCING AGREEMENT****JIM WALTER HOMES, INC.**

THIS AGREEMENT made this 7th day of MARCH, 2007
between Natasha L Green & Shanon L Green
hereinafter referred to as "Buyer",
whose address is 827 S. Eleventh St., McBee, SC, 29101
and JIM WALTER HOMES, Inc., a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard, Tampa,
Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller."

WITNESSETH:

1. **Description of Property.** Seller agrees to build a house as set forth in that certain Construction Agreement, and including the plans and specifications and Exhibits "A, B, C, and D" according to the standards as set forth in the Limited Warranty (the "House"), all of which are incorporated herein by reference, on the property of Buyer, located at 401 Union Church Road, McBee, SC and having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT

ANNUAL PERCENTAGE RATE The cost of your credit at a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	AMOUNT FINANCED The amount of credit provided to you or on your behalf.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled (not including any down payment).	TOTAL SALES PRICE The total cost of your purchase on credit, including your down payment of \$0.00.
11.00 %	\$ 298,490.00	\$ 123,330.00	\$ 422,820.00	\$ 3422,820.00

Your payment schedule will be:

NUMBER OF PAYMENTS	AMOUNT OF EACH PAYMENT	WHEN PAYMENTS ARE DUE
360	1,174.50	monthly, beginning the 5th day of the month following the 45th day after release of the House to the Buyer.

You may obtain property insurance from anyone you want that is acceptable to Creditor. If you get insurance through Best Insurers, Inc. your annual premium is estimated to be \$ 387.00 for the one year term of the policy.

Security: You are giving a security interest in real property together with all improvements now or hereafter placed on the property located at:
Street address or Rural Route: 401 Union Church Road City McBee State SC

Late Charge: If a payment is late, you will be charged \$14.50 or 5% of the unpaid portion of the installment in default, whichever is less.

Prepayment: If you pay off early, you will not have to pay a penalty and you will be entitled to a refund of part of the Finance Charge.

Assumption: This indebtedness cannot be assumed.

An itemization of the amount financed is provided below.

See the remainder of this contract and the documents signed in conjunction with it for any additional information about nonpayment, default, any required payment in full before the scheduled date, and prepayment refunds and penalties.

Itemization of Amount Financed:		
Cash Price \$ 123,330.00	Less Down Payment of \$ 0.00	Amount Financed \$ 123,330.00

2. **Time Price Payment.** Buyer acknowledges that Buyer has been offered the opportunity to pay for the House in full immediately upon its completion, in which case Buyer would pay a cash price of \$ 123,330.00. However, Buyer has made a down payment of \$ 0.00 and has elected and agrees to purchase said House on credit over time for a Time Price of \$ 422,820.00 which includes a Finance Charge of \$ 299,490.00 calculated at an Annual Percentage Rate of 11.00 % per annum. The Finance Charge begins to accrue thirty (30) days prior to the due date of the first scheduled installment.

HAP 25 2007

The due date of the first scheduled installment will be determined with reference to the date of Seller's completion or substantial completion of its construction obligations hereunder. Substantial completion occurs when Seller determines that it has performed its obligations as set forth in the contract with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate" and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items; and such remaining items will not prevent Buyer from preparing the House for occupancy. Once Seller has completed or substantially completed its construction obligations hereunder, it will "release" the House (as that term is defined in the Limited Warranty) to Buyer and notify Buyer of said release by mailing or otherwise delivering to Buyer to or at the address designated by Buyer a Completion Notice (which will contain the Payment Commencement Date). The Payment Commencement Date will be on the 15th day of the month following the 15th day after said release of the House to Buyer. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

Note - Weather conditions existing at the time of construction may cause Seller to delay the painting of the exterior of the House for a period of time. Furthermore, a Buyer may elect to do interior work which must be completed prior to other items being installed by Seller. This could prevent Seller from completing items for an indefinite period of time until Buyer completes Buyer's own work. The failure of Seller to have completed these items shall have no bearing on Seller's ability to release the substantially completed House to Buyer prior to such completion, nor shall it relieve Buyer from Buyer's obligation set forth in this Financing Agreement and in the promissory note and/or mortgage executed in conjunction herewith to commence Buyer's regular monthly payments.

3. Insurance. Seller requires Buyer to keep the House to be built under this contract insured against damage or loss from fire, lightning, windstorm or tornado, and extended coverage and such other coverage as Seller may reasonably require. Buyer must maintain the required insurance coverage from the date the House is released to Buyer by Seller until Buyer's obligations under this contract are fully discharged. **IN CONNECTION WITH THE FOREGOING ELECTION, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE INSURANCE DISCLOSURES SET FORTH IN EXHIBIT "C" ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.**

4. No Oral Representations; Arbitration. This instrument and the other instruments signed in connection with this transaction (including a Limited Warranty) contain the price and all the terms and conditions agreed upon by Buyer and Seller, and no statement, representation or promise not set forth in this contract, or any of the other said instruments, has been made to induce either party to enter into this transaction. **IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.**

5. Title to the Property. Buyer warrants that Buyer owns the property described herein free and clear of all liens and encumbrances. In the event a full or complete legal description of the land upon which the House is to be built is unknown or unavailable to the parties at the time of execution hereof, Buyer agrees that the full or complete description of said land may be subsequently obtained and inserted by Seller in this document and such other documents executed in conjunction with this transaction which require a legal description and any such completion or correction of the description shall be effective as of the execution hereof.

6. Security Interest in the Property. Buyer agrees to execute and deliver to Seller a promissory note evidencing the amount of indebtedness hereunder and to execute and deliver a mortgage covering the real property described in Paragraph 1, together with all buildings (including the House to be built hereunder), structures and improvements now or hereafter located on said real property securing the payment of the indebtedness hereunder, all of the terms of which promissory note and mortgage are incorporated herein by this reference. Said promissory note and mortgage shall be on forms supplied by Seller. The mortgage shall provide that the holder may (but shall not be obligated to do so) advance moneys that should have been paid by Buyer in order to protect the lien or security of the mortgage, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security of the mortgage such as repairs, necessary improvements or attorney's fees advanced to this end and the Buyer agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in this Financing Agreement, and shall be considered as so much additional indebtedness secured thereby; but no payment by the holder of any such moneys shall be deemed a waiver of the holder's right to declare the principal sum due under the mortgage by reason of the default or violation of Buyer in any of Buyer's covenants thereunder.

7. Prepayment. Buyer may prepay in full all sums remaining unpaid under this contract at any time, and upon prepayment, Buyer shall receive a credit for all unearned charges, including a credit for the unearned Finance Charge computed pursuant to the Actuarial Method.

8. Late Fee. For each installment not paid in full within fifteen (15) days of its scheduled due date, Buyer will be charged Fourteen Dollars and fifteen cents (\$14.50) or five percent (5%) of the unpaid portion of the installment in default, whichever is less, provided that only one late charge will be charged on any installment, regardless of the period during which it remains in default.

9. Insufficient Funds Charge. If any check tendered to Seller or its assigns by Buyer hereunder is not paid upon presentation or is dishonored by the bank or depository institution upon which it is drawn, Buyer agrees to pay Seller a returned check charge of Twenty Dollars (\$20.00), which charge, if incurred by Seller shall be considered additional indebtedness secured by the mortgage.

10. Cancellation. In the event an unsatisfactory report of Buyer's credit or any other information unsatisfactory to Seller is received prior to beginning the construction of the House, Seller, at its option, may within ten (10) days thereafter, cancel this agreement upon returning to Buyer any payments or deposits. All provisions of this contract are subject to approval by an authorized representative of Jim Walter Homes, Inc.

11. Indemnification Location of House on Property. In the event the House is constructed in a manner or at a location so as to be not entirely located upon the above-described property or the above-described property is not wholly owned by Buyer, Buyer agrees (1) to indemnify Seller for and hold Seller harmless from any and all damages, losses, judgments, expenses, costs, attorneys' fees (which attorneys are to be selected at Seller's sole discretion) and litigation expenses arising from resolving or litigating the circumstances or issues resulting from the House being located partially or wholly upon the wrong property, the payment of all of which sums shall be secured by the House and all other property made the subject of Seller's lien; (2) that the above-described property and the liens of Seller shall also include and encompass any property of Buyer, whether now owned or hereafter acquired, upon which the House is actually located together with such additional property as is reasonably necessary, including up to fifty (50) feet in any direction from the House, as well as reasonable ingress and egress therefor; and/or (3) that Seller may, at Buyer's expense, purchase property at an alternative location (Seller to make a good faith effort to select property as geographically proximate to the improper location as reasonable under the circumstances), move the House to said location, and attach the Seller's liens to the House and property at said alternative location (selected at Seller's sole discretion).

12. Assignment. Seller may assign its interest in this contract and this contract shall be binding upon and inure to the benefit of the assigns and successors of the Seller.

13. Assumption. Buyer's indebtedness hereunder may not be assumed by any subsequent purchaser of the House.

14. Attorneys' Fees. In the event the promissory note executed in conjunction with this transaction is placed in the hands of an attorney, not a salaried employee of Seller, for collection, by suit or otherwise, or to enforce their collection by foreclosure or to protect the security for their payment, the Buyer will pay all costs of collection and litigation, together with reasonable attorneys' fees not exceeding fifteen percent (15%) of the unpaid debt after default and the same shall be a lien on the premises the subject of this transaction and enforced by a sale of the property as in the mortgage and herein provided.

15. Acceleration Upon Default. In the event Buyer fails to perform any obligation in this contract, or in the Construction Agreement or in said promissory note or mortgage, the Seller may, at Seller's option, declare all sums remaining unpaid hereunder immediately due and payable. In the event of such acceleration, Buyer shall receive a credit for any unearned Finance Charge, computed pursuant to the "Actuarial Method" to the nearest scheduled payment date. Any failure to exercise said option of acceleration shall not constitute a waiver of the right to exercise the same at any other time.

16. Enforceability. Should any provision of this Financing Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

17. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (i) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (ii) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

18. Governing Law. This Financing Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

NOTICE:
ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE BUYER COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE BUYER SHALL NOT EXCEED AMOUNTS PAID BY THE BUYER HEREUNDER.

NOTICE TO THE BUYER: DO NOT SIGN THIS BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. THE BUYER ACKNOWLEDGES THAT BUYER HAD THE ELECTION OF PURCHASING EITHER FOR CASH OR UPON A TIME PRICE BASIS AND HAS ELECTED TO PURCHASE ON THE TIME PRICE BASIS.

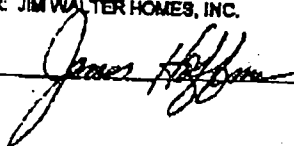
THE BUYER ACKNOWLEDGES THAT BUYER RECEIVED A COPY OF THIS AGREEMENT AND THAT BEFORE SIGNING THE SAME, THE CONTRACT CONTAINED THE ENTIRE TERMS AND ALL BLANK SPACES HAD BEEN FILLED IN PRIOR TO THE SIGNING OF THE SAME.

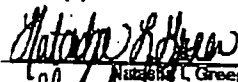
IN WITNESS WHEREOF, the Buyer(s) and Seller have executed this contract on the day and year first above written.

SELLER: JIM WALTER HOMES, INC.

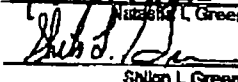
BUYER(S):

BY:





(SEAL)



(SEAL)

Shanon L. Green

001754

000960

FILED
CLERK OF COURT

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CHESTERFIELD COUNTY, SC
BOOK 419 PAGE 760-962**Mortgage - South Carolina - Jim Walter Homes, Inc.**STATE OF SOUTH CAROLINA
COUNTY OF CHESTERFIELD20023569
Florence

WHEREAS, Natasha L. Green & Shilon L. Green, Husband & Wife
whose residential address is 927 S. Eleventh St., McBee, SC, 29101
hereinafter called the Mortgagor, are well and truly indebted to JIM WALTER HOMES, INC., whose principal place of business is
4211 W. Boy Scout Blvd, Tampa, Florida 33607, hereinafter called the Mortgagee, in the full and just sum of
Four Hundred Twenty-two Thousand Eight Hundred Twenty and Xs/100 Dollars, (\$ 422,820.00),
evidenced by a certain promissory note in writing of even date herewith, which note is made a part hereof and herein incorporated by
reference, payable in 360 monthly installments of One Thousand One Hundred Seventy-four and 50/100
Dollars (\$ 1,174.50) each, the first installment to become due and payable on the "Payment Commencement Date"
as set forth in the Completion Notice to be mailed or delivered by Jim Walter Homes, Inc., to the undersigned upon "release" (as that
term is defined in the Limited Warranty) of the House by Jim Walter Homes, Inc., and one installment to become due on the same day
of each succeeding month until payment in full. If not sooner paid, the entire outstanding indebtedness shall be due and payable 360
months from the Payment Commencement Date, which in any event shall be on or before the 5th day of September, 2037.

NOW, KNOW ALL MEN, That the said Mortgagor, in consideration of the said debt and sum of money aforesaid, and for better
securing the payment thereof, according to the terms and tenor of said note, and also in consideration of THREE (\$3.00) DOLLARS to
them in hand well and truly paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged,
have granted, bargained, sold and released, and by these presents do grant, bargain, sell and release unto the said Mortgagee, all that
tract or lot of land lying, being and situated in Chesterfield County, State of South Carolina and
described as follows, to-wit:

RETURNED TO
JIM WALTER HOMES, INC.
P.O. BOX 31601
TAMPA, FLORIDA 33631-3601

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

This instrument prepared by:
Joanetta Brown
Attorney at Law
P.O. Box 31601
Tampa, Fla. 33631-3601

TOGETHER WITH all and singular the ways, easements, riparian and other rights, and all tenements, hereditaments and
appurtenances, therunto belonging or in anywise appertaining, and all buildings, structures and other improvements now on said land
or that hereafter may be erected or placed thereon, and all fixtures attached thereto and all rents, income, issues and profits accruing
and to accrue therefrom.

TO HAVE AND TO HOLD the above described property unto Mortgagee, its successors and assigns forever.

Mortgagor hereby covenants with Mortgagee that Mortgagor is indefeasibly seized with the absolute and fee simple title to said
property; that Mortgagor has full power and lawful authority to sell, convey, assign, transfer and mortgage the same; that it shall be
lawful for Mortgagee at any time hereafter peaceably and quietly to enter upon, have, hold and enjoy said property and every part
thereof; that said property is free and discharged from all liens, encumbrances and claims of every kind, including all taxes and
assessments; that Mortgagor will, at Mortgagor's own expense, make such other and further instruments and assurances to vest
absolute and fee simple title to said property in Mortgagee that may be requested by Mortgagee, and that Mortgagor will, and his heirs,
legal representatives and successors shall, warrant and defend the title to said property unto Mortgagee against the lawful claims and
demands of all persons whomsoever.

PROVIDED ALWAYS, and these presents are upon these express conditions, that if the said Mortgagor shall promptly, well and
truly pay to the Mortgagee the said debt or sum of money aforesaid, according to the true intent and tenor of said note, and until full
payment thereof, or any extensions or renewals thereof in whole or in part, the payment of all other indebtedness or liability that may
become due and owing hereunder and secured hereby, shall faithfully and promptly comply with and perform each and every other
covenant and provision herein on the part of the Mortgagor to be complied with and performed, then this deed of bargain and sale shall
cease, determine, and be utterly void; otherwise to remain in full force and virtue.

KLB 546
Initials

And Mortgagor hereby covenants follows:

000961

To keep the buildings, structures and other improvements now or hereafter erected or placed on the premises insured in an amount not less than the replacement cost of the house or the indebtedness secured by this Mortgage against all loss or damage by fire, windstorm, tornado and extended coverage as may be required by the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear; to deposit with the Mortgagee policies with standard mortgages clause, without contribution, evidencing such insurance; to keep said premises and all improvements thereon in first class condition and repair. In case of loss, Mortgagee is hereby authorized to adjust and settle any claim under any such policy and Mortgagee is authorized to collect and receipt for any such insurance money and to apply the same, at Mortgagee's option, in reduction of the indebtedness hereby secured, whether due or not, or to allow Mortgagee to use such insurance money, or any part thereof, in repairing the damage or restoring the improvements or other property without affecting the lien hereof for the full amount secured hereby.

In the event said premises are condemned, the proceeds of any condemnation award shall be paid to and are assigned to Mortgagee.

It is further covenanted that the Mortgagee may (but shall not be obligated to do so) advance moneys that should have been paid by Mortgagor hereunder in order to protect the lien or security hereof, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security hereunder such as repairs, necessary improvements or attorney's fees advanced to this end and Mortgagor agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in the Financing Agreement of even date herewith between Jim Walter Homes, Inc. and the Mortgagee, and shall be considered as so much additional indebtedness secured hereby; but no payment by Mortgagee of any such moneys shall be deemed a waiver of Mortgagee's right to declare the principal sum due hereunder by reason of the default or violation of Mortgagor in any of Mortgagor's covenants hereunder.

Mortgagor further covenants that granting any extension or extensions of the time payment of any part or all of the total indebtedness or liability secured hereby, or taking other or additional security for payment thereof, shall not affect this mortgage or the rights of Mortgagee hereunder, or operate as a release from any liability upon any part of the indebtedness hereby secured, under Mortgagor's covenant herein contained.

If any check tendered to Mortgagee or its assigns by Mortgagor hereunder is not paid upon presentation or is dishonored by the bank or depository institution upon which it is drawn, Mortgagor agrees to pay Mortgagee a returned check charge of \$20.00, which charge, if incurred by the undersigned, shall be considered additional indebtedness secured hereunder.

It is further covenanted and made of the essence hereof that in case of default for thirty days in the performance of any of the covenants herein on the part of the Mortgagor, then it shall be optional with Mortgagee to consider all unsecured indebtedness or liability secured hereby, and accrued interest thereon, as immediately due and payable, and Mortgagee shall have the right forthwith to institute proceedings to enforce the collection of all moneys secured hereby or to foreclose the lien hereof.

It is further stipulated and agreed by and between the parties that the Mortgagee shall have the right to exercise any option or privilege herein given or reserved and to enforce any duty of the Mortgagor at any time without further or other notice regardless of any prior waiver by Mortgagee or default of Mortgagor or delay by Mortgagee in exercising any right, option, or privilege or enforcing such duty of Mortgagor, and no waiver by Mortgagor, and no waiver by Mortgagee of default of Mortgagor nor delay of Mortgagee in exercising any right, privilege or option or in enforcing any duty of Mortgagor shall be deemed, held, or construed to be a waiver of any of the terms or provisions of this mortgage or of any subsequent default.

The Mortgagor waives all right to homestead exemption in said property. If any action or proceeding is commenced which materially affects the Mortgagee's interest in the property, including but not limited to, eminent domain, insolvency, code enforcements, bankruptcies, an action by a junior lienholder, or any other similar actions or proceedings, then the Mortgagee at its own option upon notice to the Mortgagor may make such appearances, disburse such sums and take such action as is necessary to protect the Mortgagee's interest and Mortgagor agrees to pay all costs including but not limited to, disbursement of reasonable attorney's fees not exceeding fifteen percent (15%) of the unpaid debt and the costs of the action.

IN WITNESS WHEREOF, we have hereunto set our hand and seal this 7th day of MARCH, A.D. 2007.

Signed, Sealed and Delivered in the presence of:

[Signature]
1st Subscribing Witness

[Signature]
2nd Subscribing Witness

[Signature] (SEAL)
Natasha L. Green (SEAL)
Shilon L. Green (SEAL)
[Signature] (SEAL)

STATE OF SOUTH CAROLINA
COUNTY OF Darlington

I Debbie J. Hoffman, Notary Public for the State of South Carolina, do hereby certify that Natasha L. Green and Shilon L. Green (name of Mortgagors)

personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal this 7th day of March, 2007.

[Signature] (SEAL)
Commission Expires March 18, 2015

"EXHIBIT "1"

000962

LEGAL DESCRIPTION

All that certain piece, parcel, or lot of land, with the improvements thereon, situate, located, lying, and being in the County of Chesterfield, State of South Carolina, the same being shown and delineated as Lot 1, containing (0.50) acres, more or less upon that certain Plat of Southside II Subdivision prepared by Al Johnson dated June 22, 1983, recorded in the Office of The Clerk of Court for Chesterfield County in Plat Book 41 at Page 62, which Plat is incorporated herein by reference, and having such boundaries and measurements as shown thereon, more or less; and being bounded Northeast by S 13-31; South by SWEENEY DRIVE; West by Lot 2, Property N/F Ben L. Norwood; North by Lot 10

TMS NO: 089-008-002-001

This being property conveyed to Shilon L. Green and Natasha L. Green by deed of Clifton Dewitt dated 3/19/07 and recorded 4/16/07 in the office of the clerk of Court for Chesterfield County in Deed Book 435 at Page 459.

03/07/2007 JW_CAMBRIDGE
360.00 South Atlantic Division
Florence, SC
Natasha L. Green

S/O#
Q# 20023589

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHESTERFIELD)

IN THE COURT OF COMMON PLEAS

Walter Mortgage Company,
 Plaintiff

C/A#: 08-CP-13-25

-vs-

ANSWER AND THIRD PARTY COMPLAINT
 (Jury Trial Demanded)

Natasha L. Green and Shilon L.
 Green,

Defendants &
 Third Party Plaintiff

-vs-

Jim Walter Homes, Inc.,

Third Party Defendant

The Defendants above named Answer the Plaintiff's Complaint as follows:

1. Defendants admit allegations contained paragraphs one (1), three (3), five (5), seven (7), eight (8), and ten (10).
2. Defendants deny allegations contained in paragraphs two (2), four (4), and nine (9), and demand strict proof thereof.
3. As to paragraph six (6), Defendants lack specific information and must therefore deny the allegations and demand strict proof thereof.

FOR A FIRST AFFIRMATIVE DEFENSE

(Plaintiff's Documents are Unconscionable and Should Not Be Enforced)

4. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.

5. The Construction Agreement, Finance Agreement, and Mortgage are unconscionable, in that they were procured in violation of state and federal law, they were procured without Defendants having the benefit of legal counsel, and they are unfair and one sided as interpreted by Jim Walter Homes, Inc.
6. Defendants therefore request the Construction Agreement be reformed and not enforced until such time as all work to be done by Plaintiff's predecessor in interest (Jim Walter Homes, Inc.) can be completed in compliance with State and local building codes.
7. Defendants further request that the Finance Agreement and the Mortgage be reformed to require payment of only the amount financed plus any interest which may accrue from the time Plaintiff's predecessor in interest completes its work.
8. Defendants further request that the Finance Agreement and the Mortgage be reformed to require the Plaintiff's predecessor in interest to complete all repairs necessary to bring work done by Plaintiff's predecessor in interest into compliance with applicable building codes before any payment on the Finance Agreement or Mortgage become due.

FOR A SECOND AFFIRMATIVE DEFENSE

(Plaintiff's Documents were Procured by Crime and Should Not Be Enforced)

9. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.
10. The Mortgage and other related documents referenced in Plaintiff's Complaint involved the closing of a loan and the recording of a mortgage.

11. Such actions are governed by several State and Federal laws, and the Plaintiff's predecessor in interest knew or had reason to know the laws governing those transactions and the application of such law.
12. The loan at issue in Plaintiff's Complaint was closed in violation of State and Federal law and the mortgage was recorded in violation of State law.
13. Violations of the law are clearly shown by the absence of an attorney at the loan closing and the absence of a HUD-1 Settlement Statement.
14. The State and Federal laws referenced above were enacted to protect consumers, and the Construction Agreement, Financing Agreement, and Mortgage should be reformed as indicated above to protect the Defendants.

FOR A THIRD AFFIRMATIVE DEFENSE AND FIRST THIRD PARTY CLAIM
(Breach of Contract)

15. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.
- #. Jim Walters Homes, Inc., is a corporation doing business in the State of South Carolina. Jim Walters Homes, Inc., is the predecessor in interest of the Plaintiff, and Plaintiff does not have any right in this matter which it did not first obtain from an alleged assignment of the mortgage at issue in this matter from Jim Walters Homes, Inc.
16. The Defendants contracted with Jim Walters Homes, Inc., (hereinafter "Contractor") for Contractor to build a home for the Defendants. An express or implied term of this contract was that all work done by the Contractor would be performed in compliance with State and local building codes.

17. The Chesterfield County Building Inspector has inspected the premises and noted several defects in Contractor's work.
18. Contractor refuses to correct these deficiencies.
19. Contractor's refusal to complete its work is a Breach of the Contract between Contractor and the Defendants.
20. As a result of Contractor's refusal to complete work in compliance with building codes, Defendants have been damaged, including but not limited to, loss of the benefit of Defendants' bargain with Contractor, the cost of defending this action, the potential loss of Defendants' home, the cost of renting accommodations while waiting on Contractor to complete work, and the cost to complete the Contractor's work.
- #. Defendants are informed and believe they are entitled to judgment against the Contractor, Jim Walters Homes, Inc., for actual and consequential damages to including but not limited to the damages listed above.
- #. Plaintiff, Walter Mortgage Company has no rights in this matter other than rights it may have been assigned by the Contractor.
- #. Defendants are informed and believe the mortgage in this matter is not supported by a valid debt, since the assignor of the plaintiff breached its contract with the Defendants. Consequently, Defendants believe Plaintiff should be estopped from foreclosing the mortgage.

FOR A SECOND THIRD PARTY CLAIM
(Fraud and Misrepresentation)

21. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.

22. In the summer and early fall of 2007, Contractor made multiple representations to Defendants promising all of Contractor's work would be complete and in compliance with state and local building codes before October of 2007.
23. This was not true, and Contractor's representations were material inasmuch as Defendants would never have accepted the home if they had known the Contractor would refuse to complete its work.
24. The Contractor knew or had reason to know its representations were false and intended the Defendants to act upon those representations.
- #. The Contractor acted willfully and in complete disregard of Defendants' rights.
- #. The Defendants did not know the Contractor would refuse to complete its work.
- #. The Defendants relied upon the representations of the Contractor, and had every reason to do so, since they believed the Contractor to be a reputable builder.
25. As a consequence and proximate result of the Contractor's actions, the Defendants have been damaged as detailed above.
- #. Defendants' are informed and believe they are entitled to a judgment against the Contractor, Jim Walters Homes, Inc., for Fraud and actual damages.

FOR A THIRD THIRD PARTY CLAIM
(Unfair Trade Practices)

26. Plaintiffs hereby reassert and reallege each and every allegation set forth above as fully as if set forth here verbatim.
27. This cause of action arises pursuant to the South Carolina Unfair Trade Practices Act, S.C. Code § 39-5-10, et seq., as amended.

28. The Contractor advertised its services for building homes to the public under the name and reputation of Jim Walter Homes. The Plaintiff represented to the Defendants that the Defendants were purchasing the finest home in the industry.
29. The Defendants relied upon these representations.
30. The Contractor provided grossly unsatisfactory service, not worthy of the representations made to the public.
31. The actions of Contractor constitute "trade or commerce" as defined by S.C. Code § 39-5-10, et seq., as amended.
32. The actions of the Contractor above described, constitute unfair and deceptive acts and practices in the conduct of trade and commerce, as prohibited by the South Carolina Unfair Trade Practices Act § 39-5-10, et. seq., and are willful violations thereof.
33. The actions of the Contractor have a real and substantial potential for repetition and affect the public interest.
34. The closing of real estates loans without an attorney is unlawful in South Carolina.
35. The procurement of the documents attached to the Plaintiff's Complaint without the Defendants' benefit of legal counsel is a violation and is prohibited by the South Carolina Unfair Trade Practices act.
36. As a direct and proximate result of this violation of the South Carolina Unfair Trade Practices Act, the Defendants have suffered damages as set forth above.
37. The Defendants are informed and believe they are entitled to statutory treble damages, plus attorney's fees and costs.

38. The damages mentioned above are proximately caused by violations of the act.

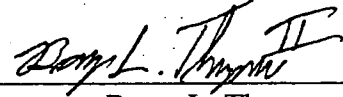
39. As a consequence and proximate result of the Contractor's action, the Defendants have been damaged, including but not limited to, the loss of the benefit of Defendants' bargain, the cost of defending this action, the potential loss of Defendants' home, the cost of renting other accommodations while waiting on Contractor to finish his work, and the cost to complete the Contractor's work.

WHEREFORE, having fully Answered and Counterclaimed against the Plaintiffs herein, Defendants pray for an Order of this Court;

- a. reforming the Construction Agreement to require all of Contractor's work on the home be completed in compliance with State and local building codes;
- b. reforming the Finance Agreement to require only payment of the amount financed plus reasonable interest accruing from the date Contractor fully performs the contract;
- c. reforming the Mortgage to require only payment of the amount financed plus reasonable interest accruing from the date Contractor fully performs the contract;
- d. requiring the Contractor to complete all work in compliance with state and local building codes and fully perform the contract;
- e. for Contractor to pay Defendants' attorney's fees and costs;
- f. for Contractor to pay the cost of Defendants renting accommodations until Contractor's work is complete;

- g. in the event the mortgage is foreclosed for Contractor to pay damages in the amount necessary to compensate Defendants for the loss of the benefit of their bargain;
- h. for Contractor to pay punitive damages for Fraud;
- i. for Contractor to pay statutory treble damages for engaging in unfair trade practices;
- j. and for such other and further relief as this Court may deem just and proper.

MOORE, TAYLOR & THOMAS, P.A.

BY: 

Barry L. Thompson
Attorney for the Plaintiffs
1700 Sunset Boulevard
Post Office Box 5709
West Columbia, SC 29171
(803) 796-9160

West Columbia, South Carolina
February 25, 2008.

STATE OF SOUTH CAROLINA)
 COUNTY OF CHESTERFIELD)

IN THE COURT OF COMMON PLEAS

Walter Mortgage Company,

Plaintiff

C/A#: 08-CP-13-25

-vs-

Natasha L. Green and Shilon L.
 Green,

Defendants &
 Third Party Plaintiff

ANSWER AND THIRD PARTY COMPLAINT
 (Jury Trial Demanded)

-vs-

Jim Walter Homes, Inc.,

Third Party Defendant

Attest
 Clerk of Court
 Chesterfield County, SC

FILED
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 2008 FEB 27 PM 2 03
 CHESTERFIELD COUNTY
 BOOK PAGE

The Defendants above named Answer the Plaintiff's Complaint as follows:

1. Defendants admit allegations contained paragraphs one (1), three (3), five (5), seven (7), eight (8), and ten (10).
2. Defendants deny allegations contained in paragraphs two (2), four (4), and nine (9), and demand strict proof thereof.
3. As to paragraph six (6), Defendants lack specific information and must therefore deny the allegations and demand strict proof thereof.

FOR A FIRST AFFIRMATIVE DEFENSE

(Plaintiff's Documents are Unconscionable and Should Not Be Enforced)

4. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.

5. The Construction Agreement, Finance Agreement, and Mortgage are unconscionable, in that they were procured in violation of state and federal law, they were procured without Defendants having the benefit of legal counsel, and they are unfair and one sided as interpreted by Jim Walter Homes, Inc.
6. Defendants therefore request the Construction Agreement be reformed and not enforced until such time as all work to be done by Plaintiff's predecessor in interest (Jim Walter Homes, Inc.) can be completed in compliance with State and local building codes.
7. Defendants further request that the Finance Agreement and the Mortgage be reformed to require payment of only the amount financed plus any interest which may accrue from the time Plaintiff's predecessor in interest completes its work.
8. Defendants further request that the Finance Agreement and the Mortgage be reformed to require the Plaintiff's predecessor in interest to complete all repairs necessary to bring work done by Plaintiff's predecessor in interest into compliance with applicable building codes before any payment on the Finance Agreement or Mortgage become due.

FOR A SECOND AFFIRMATIVE DEFENSE

(Plaintiff's Documents were Procured by Crime and Should Not Be Enforced)

9. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.
10. The Mortgage and other related documents referenced in Plaintiff's Complaint involved the closing of a loan and the recording of a mortgage.

11. Such actions are governed by several State and Federal laws, and the Plaintiff's predecessor in interest knew or had reason to know the laws governing those transactions and the application of such law.
12. The loan at issue in Plaintiff's Complaint was closed in violation of State and Federal law and the mortgage was recorded in violation of State law.
13. Violations of the law are clearly shown by the absence of an attorney at the loan closing and the absence of a HUD-1 Settlement Statement.
14. The State and Federal laws referenced above were enacted to protect consumers, and the Construction Agreement, Financing Agreement, and Mortgage should be reformed as indicated above to protect the Defendants.

FOR A THIRD AFFIRMATIVE DEFENSE AND FIRST THIRD PARTY CLAIM
(Breach of Contract)

15. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.
- #. Jim Walters Homes, Inc., is a corporation doing business in the State of South Carolina. Jim Walters Homes, Inc., is the predecessor in interest of the Plaintiff, and Plaintiff does not have any right in this matter which it did not first obtain from an alleged assignment of the mortgage at issue in this matter from Jim Walters Homes, Inc.
16. The Defendants contracted with Jim Walters Homes, Inc., (hereinafter "Contractor") for Contractor to build a home for the Defendants. An express or implied term of this contract was that all work done by the Contractor would be performed in compliance with State and local building codes.

17. The Chesterfield County Building Inspector has inspected the premises and noted several defects in Contractor's work.
18. Contractor refuses to correct these deficiencies.
19. Contractor's refusal to complete its work is a Breach of the Contract between Contractor and the Defendants.
20. As a result of Contractor's refusal to complete work in compliance with building codes, Defendants have been damaged, including but not limited to, loss of the benefit of Defendants' bargain with Contractor, the cost of defending this action, the potential loss of Defendants' home, the cost of renting accommodations while waiting on Contractor to complete work, and the cost to complete the Contractor's work.
- #. Defendants are informed and believe they are entitled to judgment against the Contractor, Jim Walters Homes, Inc., for actual and consequential damages to including but not limited to the damages listed above.
- #. Plaintiff, Walter Mortgage Company has no rights in this matter other than rights it may have been assigned by the Contractor.
- #. Defendants are informed and believe the mortgage in this matter is not supported by a valid debt, since the assignor of the plaintiff breached its contract with the Defendants. Consequently, Defendants believe Plaintiff should be estopped from foreclosing the mortgage.

FOR A SECOND THIRD PARTY CLAIM
(Fraud and Misrepresentation)

21. Defendants reassert and reallege each and every paragraph above as if set forth herein verbatim.

22. In the summer and early fall of 2007, Contractor made multiple representations to Defendants promising all of Contractor's work would be complete and in compliance with state and local building codes before October of 2007.
23. This was not true, and Contractor's representations were material inasmuch as Defendants would never have accepted the home if they had known the Contractor would refuse to complete its work.
24. The Contractor knew or had reason to know its representations were false and intended the Defendants to act upon those representations.
- #. The Contractor acted willfully and in complete disregard of Defendants' rights.
- #. The Defendants did not know the Contractor would refuse to complete its work.
- #. The Defendants relied upon the representations of the Contractor, and had every reason to do so, since they believed the Contractor to be a reputable builder.
25. As a consequence and proximate result of the Contractor's actions, the Defendants have been damaged as detailed above.
- #. Defendants' are informed and believe they are entitled to a judgment against the Contractor, Jim Walters Homes, Inc., for Fraud and actual damages.

FOR A THIRD THIRD PARTY CLAIM
(Unfair Trade Practices)

26. Plaintiffs hereby reassert and reallege each and every allegation set forth above as fully as if set forth here verbatim.
27. This cause of action arises pursuant to the South Carolina Unfair Trade Practices Act, S.C. Code § 39-5-10, et seq., as amended.

28. The Contractor advertised its services for building homes to the public under the name and reputation of Jim Walter Homes. The Plaintiff represented to the Defendants that the Defendants were purchasing the finest home in the industry.
29. The Defendants relied upon these representations.
30. The Contractor provided grossly unsatisfactory service, not worthy of the representations made to the public.
31. The actions of Contractor constitute "trade or commerce" as defined by S.C. Code § 39-5-10, et seq., as amended.
32. The actions of the Contractor above described, constitute unfair and deceptive acts and practices in the conduct of trade and commerce, as prohibited by the South Carolina Unfair Trade Practices Act § 39-5-10, et. seq., and are willful violations thereof.
33. The actions of the Contractor have a real and substantial potential for repetition and affect the public interest.
34. The closing of real estates loans without an attorney is unlawful in South Carolina.
35. The procurement of the documents attached to the Plaintiff's Complaint without the Defendants' benefit of legal counsel is a violation and is prohibited by the South Carolina Unfair Trade Practices act.
36. As a direct and proximate result of this violation of the South Carolina Unfair Trade Practices Act, the Defendants have suffered damages as set forth above.
37. The Defendants are informed and believe they are entitled to statutory treble damages, plus attorney's fees and costs.

38. The damages mentioned above are proximately caused by violations of the act.
39. As a consequence and proximate result of the Contractor's action, the Defendants have been damaged, including but not limited to, the loss of the benefit of Defendants' bargain, the cost of defending this action, the potential loss of Defendants' home, the cost of renting other accommodations while waiting on Contractor to finish his work, and the cost to complete the Contractor's work.

WHEREFORE, having fully Answered and Counterclaimed against the Plaintiffs herein, Defendants pray for an Order of this Court;

- a. reforming the Construction Agreement to require all of Contractor's work on the home be completed in compliance with State and local building codes;
- b. reforming the Finance Agreement to require only payment of the amount financed plus reasonable interest accruing from the date Contractor fully performs the contract;
- c. reforming the Mortgage to require only payment of the amount financed plus reasonable interest accruing from the date Contractor fully performs the contract;
- d. requiring the Contractor to complete all work in compliance with state and local building codes and fully perform the contract;
- e. for Contractor to pay Defendants' attorney's fees and costs;
- f. for Contractor to pay the cost of Defendants renting accommodations until Contractor's work is complete;

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

Walter Mortgage Company

☒ Plaintiff

v.

Natasha L. Green and Shilon L. Green

☐ Defendant.

IN THE COURT OF COMMON PLEAS

CASE NO.

08-CP-13-25

MOTION AND ORDER INFORMATION FORM
AND COVER SHEET

Plaintiff's Attorney:
Charles H. McDonald, Bar No. 11580
Address: PO Box 944
Columbia, SC 29202
phone: (803) 779-8900 fax: (803) 252-0724
e-mail: cmcdonald@robinsonlaw.com other:

Defendant's Attorney:
Barry L. Thompson, II, Bar No.
Address: P.O. Box 5709
West Columbia, SC 29171
phone: (803) 796-9160 fax: (803) 791-8410
e-mail: barry@grandylaw.com other:

- ☒ MOTION HEARING REQUESTED (attach written motion and complete SECTIONS I and III)
☐ FORM MOTION, NO HEARING REQUESTED (complete SECTIONS II and III)
☐ PROPOSED ORDER/CONSENT ORDER (complete SECTIONS II and III)

SECTION I: Hearing Information

Nature of Motion: Motion to Compel Arbitration
 Estimated Time Needed: 20 minutes Court Reporter Needed: ☒ YES / ☐ NO

SECTION II: Motion Type

- ☐ Written motion attached
☐ Form Motion/Order --

I hereby move for relief or action by the court as set forth in the attached proposed order.

Signature of Attorney for ☐ Plaintiff / ☐ Defendant

April 7, 2008
 Date submitted

SECTION III: Motion Fee

- ☒ PAID - AMOUNT: 25.00
☐ EXEMPT: ☐ Rule to Show Cause in Child or Spousal Support
 (check reason) ☐ Domestic Abuse or Abuse and Neglect
☐ Indigent Status ☐ State Agency v. Indigent Party
☐ Sexually Violent Predator Act ☐ Post-Conviction Relief
☐ Motion for Stay in Bankruptcy
☐ Motion for Publication ☐ Motion for Execution (Rule 69, SCRCP)
☐ Proposed order submitted at request of the court; or,
 reduced to writing from motion made in open court per judge's instructions
 Name of Court Reporter:
☐ Other:

JUDGE'S SECTION

- ☐ Motion Fee to be paid upon filing of the attached order.
☐ Other:

JUDGE

CODE: _____ Date: _____

CLERK'S VERIFICATION

Date Filed:

Collected by: _____

- ☐ MOTION FEE COLLECTED: _____
☐ CONTESTED - AMOUNT DUE: _____

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

) IN THE COURT OF COMMON PLEAS

Walter Mortgage Company,

Plaintiff,

Case No.: 08-CP-13-25

v.

Natasha L. Green and Shilon L.
Green,

Defendants.

**DEFENDANT JIM WALTER HOMES'
MOTION TO STRIKE OR SEVER
THIRD-PARTY ACTION AND TO
COMPEL ARBITRATION**Natasha L. Green and Shilon L.
Green,

Third-Party Plaintiffs

v.

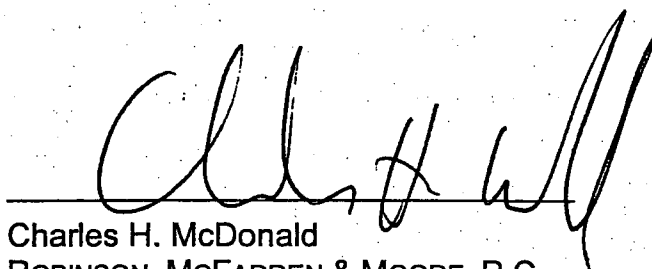
Jim Walter Homes, Inc.

Third-Party Defendant

Now comes Jim Walter Homes, Inc., by and through the undersigned counsel, who does move this Honorable Court for an Order severing the third-party action and requiring the Third-Party Plaintiffs to submit the matters set forth therein to arbitration pursuant to Rule 14(a), SCRPC. In support of this motion, Jim Walter Homes submits the contract entered into between Third-Party Plaintiffs and Jim Walter Homes, a true and correct copy of which is attached hereto as Exhibit "A".

Exhibit D to the contract contains a clear and unambiguous agreement between Third-Party Plaintiffs and Jim Walter Homes to submit all disputes arising thereunder to arbitration. The matters set forth in the third-party complaint all arise out of the contractual relationship between Third-Party Plaintiffs and Jim Walter Homes and must be resolved through arbitration.

Accordingly, the Court should strike the Third-Party Complaint and order the third-party plaintiffs to proceed with resolving the matters raised therein through arbitration. Alternatively, the Court should sever the Third-Party Complaint and stay the matter pending the resolution of the arbitration proceedings between the Third-Party Plaintiffs and Jim Walter Homes.



Charles H. McDonald
ROBINSON, MCFADDEN & MOORE, P.C.
Post Office Box 944
Columbia, SC 29202
(803) 779-8900

Counsel for Third-Party Defendant
Jim Walter Homes, Inc.

April 3, 2008

**SOUTH CAROLINA
CONSTRUCTION AGREEMENT**

JIM WALTER HOMES, INC.
(with Limited Warranty)

087

THIS AGREEMENT made this 7 th day MARCH of 20 07
between Natasha L Green & Shilon L Green
hereinafter referred to as "Buyer,"
whose address is 927 S. Eleventh St., McBeeSC, 29101
and **JIM WALTER HOMES, INC.**, a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard,
Tampa, Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller".

WITNESSETH:

In consideration of the payment by Buyer to Seller of the sum of \$ 123,330.00 (hereinafter referred to as "Purchase Price"), payable as hereinafter set forth, Buyer and Seller hereby agree as follows:

1. **Description of House.** Seller agrees to build a house, according to the plans and specifications and Exhibits "A", "B", and "D", executed in conjunction herewith and furnished to Buyer prior to the execution of this contract, which are by reference made a part hereof as if fully rewritten herein, on the real property of Buyer located at 401 Union Church Road, McBee, SC 29101, Chesterfield County having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

2. **Payment Draw Schedule.** Buyer shall pay the Purchase Price as follows (check one):

(a) Payment pursuant to the attached Draw Schedule Acknowledgement from Buyer's own reserve of cash funds.

(b) Payment pursuant to the attached Loan Commitment Letter with Draw Schedule provided by Buyer's lending institution.

8.6.9 326 (c) Payment pursuant to a Seller-financed installment sale, subject to Seller approving Buyer for an extension of credit and Buyer signing all additional documents required by Seller. In the event Buyer is not approved for Seller-financing, this Agreement is null and void.

For payment options 2(a) and 2(b), when Seller determines that there has been substantial completion of its contract obligations hereunder, and thereby determines that the remaining portion of the Purchase Price is due from the Buyer, Seller shall so notify Buyer in writing of such determination and such amount shall become immediately due and payable. Substantial completion occurs when the Seller determines that it has performed its obligations as set forth in the contract, with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate"; and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items; and such remaining items will not prevent Buyer from preparing the House for occupancy. If Buyer fails to make immediate payment, interest at the rate of ten percent (10%) per annum will begin accruing ten (10) days thereafter on any amount remaining outstanding until paid. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

The Purchase Price does not contemplate any revisions or alterations to the basic home model selected by Buyer that may be necessary due to site conditions or local governmental ordinances. In the event that Seller determines that additional costs are required, the parties agree to re-execute a new Agreement or either party may declare this Agreement null and void upon notice to the other.

Under Seller's incremental building concept, it is possible for Buyer to select a combination of interior finishing options from Seller which Seller cannot complete until Buyer first completes certain other work or items Buyer has reserved for Buyer to complete or provide. In such event, when Seller has completed as much work as it can until Buyer completes Buyer's own work, Seller shall promptly notify Buyer of such fact. If within fourteen (14) days of such notification, Buyer completes Buyer's own work necessary to allow Seller to then complete Seller's remaining construction obligations, the payment schedule selected above shall be followed. If, however, Buyer fails to complete Buyer's own such work within fourteen (14) days, Buyer's remaining indebtedness to Seller shall be due and payable in full at the end of such fourteen (14) day period and will accrue interest at the rate of ten percent (10%) per annum until paid.

3. **No Oral Representations; Joint and Several Liability; Arbitration Agreement.** This instrument and the other instruments executed in conjunction herewith set forth the price and all the terms, promises, agreements, conditions and understandings between Buyer and Seller relative to the construction and purchase of the House to be built hereunder, and there are no other promises, agreements, conditions or understandings either oral or written between them other than as set forth herein. If two (2) or more persons are named herein as Buyer, their obligations shall be joint and several. Before this contract will become effective, it must be approved by an authorized representative of Seller. IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.

MAR 26 2007



4. Completion Date. NO COMPLETION DATE HAS BEEN REPRESENTED OR IS A PART OF THIS CONTRACT.

5. Soil Testing. Seller assumes no responsibility or obligation for, and in fact disclaims any responsibility or obligation for any testing, study or knowledge with respect to whether Buyer's site is suitable or proper for the construction of the House. Buyer hereby expressly warrants to Seller that Buyer has made and performed any and all reasonable or necessary testing, study, and investigation, or that Buyer has knowingly elected to forego any such testing, study and investigation and that Buyer's site is in fact, or deemed by Buyer to be, suitable and proper for the construction of the House to be built by Seller. Buyer acknowledges, understands and agrees that, in agreeing to build the House on the site selected by Buyer, Seller is relying upon Buyer's representation and warranty that the site is in fact suitable and proper for the construction of the House, including but not limited to the suitability and propriety of the foundation option selected by Buyer.

6. Footings and Foundation. Seller will be responsible for constructing any concrete footings for walls and piers as described in the Exhibit "B" incorporated herein. Any additional labor and/or materials required by reason of deficiencies in soil conditions not known to Seller until after excavation is completed, which would require extra footings, reinforcing, piers, concrete block or concrete walls, will be paid for by Buyer in addition to the Purchase Price.

7. Pilings. Unless pilings are specified for this House, either in the plans attached hereto or in "Exhibit A" attached hereto, they are not a part of this contract, will not be provided by Seller and are not included in the price contained in this contract. Unless otherwise required by locally-adopted code, regulation or the like, or unless otherwise agreed in writing by the parties hereto, if pilings are so specified, they shall be set into the ground. The depth into the ground they are to be set will be determined by any relevant, locally-adopted code; if there is no such code, they will be set to the depth established by Seller. In the event Buyer requires that they be set to a depth greater than that determined by code or by Seller, as the case may be, this contract and all related documents, at Seller's option, may be cancelled and rendered null and void, with any downpayment, less expenses actually incurred by Seller, being returned to Buyer. Commencement of construction shall not be deemed a waiver of Seller's right to cancel pursuant to this paragraph.

Unless otherwise specified in writing in this contract and/or the documents relating to it, Seller will install the specified pilings so that the maximum height of the building from the grade as measured from the bottom of the floor joists to the ground surface shall be eight (8) feet. The height of the remainder of the building from the grade is dependent upon the contour, slope or elevation of the ground at the point of installation of each remaining piling and unlevel sites may significantly reduce this eight (8) foot maximum clearance.

8. Site Preparation: Locating the House on Lot. Buyer is responsible for ensuring the suitability of and preparing the building site for construction. Such preparation includes, but is not limited to, grading and removal of trees, bushes, shrubs, debris and other such material. Buyer is responsible for precisely locating and siting by use of stakes the desired and proper location and position of the House on the building site and in the event Buyer fails to promptly do so, Seller is entitled to do so on Buyer's behalf; however Seller's doing so shall not relieve Buyer's responsibility for staking the desired and proper location and situation of the House, and in the event Seller does so, it shall be conclusively presumed that the location and position of the House are as instructed and desired by Buyer. Buyer is responsible for all clean-up work to the House and the property after Seller has performed its obligations hereunder.

9. Buyer's Responsibilities. Unless the Buyer has opted on Exhibit "A" for a turnkey stage of completion, this contract between Buyer and Seller is for the construction and sale of a partially-completed House. Seller is required to provide or perform only those items, duties and obligations specifically set forth herein. Any items or work necessary or desirable beyond or in addition to those specifically set forth herein shall be the responsibility of the Buyer. Some such items may include, but are not limited to, the availability, permitting, and installation of a septic system, water, electricity, gas, telephone and other utilities. Buyer is also responsible for obtaining the final Certificate of Occupancy, or its equivalent, for the House unless Buyer has opted for the turnkey stage of completion.

10. Limited Warranty. In conjunction with and as a part of the transaction evidenced by this Construction Agreement, Seller is extending to Buyer a Limited Warranty setting forth the standards pursuant to which the House will be constructed and agreeing to remedy certain items should they become defective during the applicable warranty period. The Limited Warranty is a part of the transaction whereby Buyer has contracted with Seller to construct and sell the House; however, with respect to all matters addressed therein, the Limited Warranty supersedes and controls all other contract documents, discussions and representations. Neither any of the contract documents nor any discussions or representations can change, modify or override the Limited Warranty. The Limited Warranty cannot be changed or altered in any way and neither Buyer nor Seller's agents or employees have any authority to do so.

11. DISCLAIMER OF ALL OTHER WARRANTIES: TO THE EXTENT SELLER CAN LAWFULLY DO SO, SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES INCLUDING WARRANTIES OF MERCHANTABILITY, SUITABILITY, HABITABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF SAID LIMITED WARRANTY.

12. Indemnification. Buyer hereby indemnifies Seller for any action(s) taken by Seller in reliance upon the statements made by Buyer herein or directions and instructions given by Buyer to Seller in performing the work contemplated hereunder.

13. Cancellation of Contract. In the event Buyer fails to perform any activities or duties required of Buyer (e.g., failure of Buyer to prepare site for construction or, where applicable, failure of Buyer to complete construction of Buyer's own foundation, failure to obtain financing from third-party lender or fails to provide land suitable for building, failure to clear up all title or contract issues), which failure prevents Seller from commencing construction for a period of sixty (60) days from the date hereof, Seller, at its option, may cancel this contract and retain or recover from Buyer the costs incurred up to the date notice of such cancellation is given to Buyer. In the event the contract is cancelled for any other reason, Seller retains the right to recover from Buyer the Seller's cost incurred such as the costs of survey, permitting, title search, perk test, recording fees, and Seller's lost profits incurred up to the date of cancellation. Thereafter, neither Buyer nor Seller shall have any further claim against the other.

14. Buyer Prohibited From Performing Work On House Until House Released By Seller, Exceptions. Until such time as Seller "releases" the House to Buyer, as set forth in the Limited Warranty, Buyer shall not be permitted to perform any labor in or add any materials to the interior of the House which could in any way hinder Seller's ability to finish its contract obligations hereunder. However, Seller will permit Buyer to "rough in" duct work and to prewire for telephones and television antennas during the course of Seller's performance and before the release of the House to Buyer. Until such time as the release of the House to Buyer occurs, Seller is entitled to, and Buyer hereby grants Seller, full and unrestricted ingress and egress to and use of the above-described property to do and perform all acts, works and construction Seller deems reasonable and necessary to perform or fulfill Seller's activities and obligations hereunder in such manner and at such time as Seller elects.

15. Lien. Failure of this Seller or its Subcontractors or Suppliers to pay those persons supplying material or services to complete this contract can result in the filing of a lien on the above-described property which is the subject of this contract. Subcontractors may be retained on Seller's behalf for labor services on the House. Any agreement between Buyer and Subcontractor shall be separate and apart from this contract, and any responsibility for payment associated therewith shall be the sole responsibility of Buyer.

16. Attorneys' Fees. Buyer shall pay Seller's reasonable legal costs and attorneys' fees incurred in successfully enforcing this contract against Buyer.

17. Enforceability of Contract Provisions. Should any provision of this Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

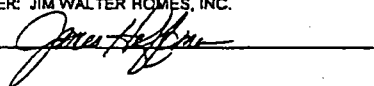
18. Governing Law. This Construction Agreement with Limited Warranty shall be governed by and construed in accordance with the laws of the State of South Carolina.

19. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (I) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (II) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

20. Contract Execution. Should more than one Buyer execute this contract, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other. When signed by Buyer, this Agreement becomes an offer to purchase, and upon signature by Seller, becomes a legally binding contract.

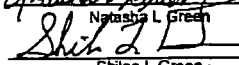
IN WITNESS WHEREOF, Buyer and Seller have executed this Construction Agreement on the day and year first above written.

SELLER: JIM WALTER HOMES, INC.

BY: 

BUYER(S):

 (SEAL)

 (SEAL)
Shilon L. Green

BUYER'S RIGHT TO CANCEL

YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

Internal Use Only

Reviewed by: 

Date: 3/9/07

EXHIBIT "A"

090



PACKAGE, OPTION, AND ADDITIONS

Executed in conjunction with that certain Agreement to build a House entered into between Jim Walter Homes, Inc., ("Seller") and the undersigned Buyer (whether one or more, hereafter "Buyer"), of even date herewith. The following package, option and additions are made a part of said Agreement as if fully recited therein:

Package, Option and Additions: JW_CAMBRIDGE

Description	Quantity
Finish Model	1
Winds - 90 to 99 mph	1
OSB - Structural Sheathing	1
Electrical Heat and Air	1
Dumpster	1
Termite treatment	1
Vinyl Insulated Colo Window	1
Code: Site Clean up	1
DELETE Code: Site Clean up	1

The above Package, Option and Additions have been selected, approved and purchased by the Buyer.

Any items, supplies and materials delivered to Buyer and not to be installed or incorporated into the House by the Seller shall become the responsibility of the Buyer upon delivery thereof and Seller shall be thereafter fully and completely relieved of and from any liability or obligation for the loss, damage, injury, maintenance, safe keeping or responsibility whatsoever thereto, unless caused by the act or omission of Seller.

The Specifications and Data Rider attached to this Agreement and identified as Exhibit "B", contains the description and specifications of certain items, commodities, materials and services used, delivered or performed by Seller (also referred to as Builder in Exhibit B) or incorporated into the House to be constructed by Seller and, where applicable, the content and substance of those package, option and additions listed above, or otherwise selected, approved and purchased by the Buyer, are limited and defined thereunder, and all parties to this Agreement shall be bound and governed by the terms and limitations thereof.

Jim Walter - Florence
BRANCH
03/07/2007
DATED

Natasha Green (BUYER)
Shilon Green (BUYER)
James Hoffman (SELLER)

MAR 26 2007

THE CLASSIC SERIES
EXHIBIT "B"
SPECIFICATIONS AND DATA RIDER
AUGUST 2004

JOB NAME: GreenBRANCH: Florence

In instances where brand names and/or standards are specified, Jim Walter Homes, Inc. ("Seller" or "Builder") may substitute (without notice) materials of equal or better quality.

Removal of construction debris and post construction clean-up is to be provided by the Buyer unless the home is built to Turnkey Stage of completion. Subcontractors are to place their waste materials in piles at the construction site.

Arrangements for temporary electrical service during construction is the responsibility of the Buyer.

Tap fees and hookups to water source, sewer system, gas supply, phone, or cable television companies are not included in your contract unless specifically noted.

Impact fees are not a part of your contract.

Due to Buyer's participation in the building process, it is very important that Buyer become familiar with the permitting requirements, if applicable, in the area where Buyer's House will be constructed. Builder encourages Buyer to contact the local building department, health department, water management department, and environmental protection department. Please be advised that:

- As required by local customs, practice or ordinance, Builder will either obtain the required building permit(s), or assist the home buyer to do so, for all work contained in the contract between Buyer and Builder.
- It is the Buyer's responsibility to obtain, if necessary, all health, water management, environmental or any other kind of permit(s) required by local custom, practice or ordinance in the area where the House will be built.
- Builder accepts no responsibility for any building permit(s) for work not specified in the contract with Builder, or for any other kind of permit(s).
- Builder will request inspections, when appropriate, of the work done by Builder under the contract with Builder.
- It is Buyer's responsibility to request the additional inspections as required by the building department for work done beyond that included in Buyer's contract with Builder.
- Unless and until all permits have been properly issued and all necessary inspections have been completed, the building department will not allow occupancy of the House. Therefore, it is very important that Buyer comply with the obligations as stated in this notice.

Kathleen Brown
Buyer's Signature

3-7-07

Date

Shirley R
Buyer's Signature

3-7-07

Date

MAR 26 2007

Jim Walter Homes, Inc. EXHIBIT "C"- South Carolina
NEW CONSTRUCTION INSURANCE DISCLOSURE STATEMENT

Each of the undersigned (who, whether one or more, is called the Buyer in the contract to which this Insurance Disclosure Statement is attached as an Exhibit (the "Contract")) hereby certifies to Jim Walter Homes, Inc. ("Seller") that I understand and acknowledge the following:

Seller requires Buyer to keep the House to be built under this Contract insured against damage or loss from fire, lightning, windstorm or tornado, and extended coverage ("Fire and Extended Coverage") and such other coverage as Seller may reasonably require. Buyer must maintain the required insurance coverage from the date the House is released (as that term is defined in the Limited Warranty) to Buyer by Seller until Buyer's obligations under this contract are fully discharged.

Buyer may choose the agency or company through which any required insurance is to be obtained, so long as the agency or company is authorized to do business in South Carolina. Buyer has the option of providing the required insurance through an existing policy or a policy independently obtained and paid for by the Buyer, or applying for insurance coverage through Best Insurors, Inc.

THE REQUIRED INSURANCE COVERAGE MUST INSURE THE HOUSE TO THE EXTENT OF THE LESSER OF THE ACTUAL CASH VALUE OF THE HOUSE OR THE INDEBTEDNESS SECURED BY THE MORTGAGE.

IF FIRE AND EXTENDED COVERAGE IN THE AMOUNT OF THE CASH PRICE OF THE HOUSE IS OBTAINED THROUGH BEST INSURORS, INC. THE INITIAL ANNUAL PREMIUM IS ESTIMATED TO BE BETWEEN \$ 367.00 AND \$ 367.00 FOR THE ONE-YEAR TERM OF THE POLICY. SELLER IS UNABLE TO PROVIDE THE EXACT AMOUNT OF THE PREMIUM AT THIS TIME BECAUSE IT IS BASED ON UNIFORM RATING FACTORS WHICH ARE NOT CURRENTLY KNOWN TO US BUT WHICH ARE USED BY BEST INSURORS, INC. IN SOUTH CAROLINA IN CALCULATING THE AMOUNT OF THE PREMIUM TO BE CHARGED. Seller is unable to advise Buyer of the premium if the required insurance is not obtained through Best Insurors, Inc.

The required policies shall contain a clause making the proceeds payable to the Seller, or its assigns, to the extent of its interest in the insured property. Seller reserves the right to refuse to accept an insurer offered by Buyer if the policy is not in the form or amount acceptable to Seller.

In the event Buyer fails to furnish an acceptable policy of insurance, premiums prepaid, or in the event Buyer fails to keep in effect the required insurance coverage, Seller shall have the right, but not the obligation, to purchase such coverage for Buyer, through or from any agency or company selected by Seller, and either add the premiums to the outstanding indebtedness or demand reimbursement, immediately or at any time thereafter from Buyer for those costs. All such advancements shall bear interest from the making thereof at the rate and under the terms and conditions set forth in the mortgage executed herewith. Seller's right to purchase such insurance coverage shall continue until Buyer delivers or causes to be delivered to Seller, or its assigns, at P.O. Box 31601, Tampa, Florida 33631-3601 an insurance policy or policies providing the required insurance coverage together with satisfactory evidence of payment therefor, or until Buyer's indebtedness is fully discharged, whichever occurs first. Seller's exercise of this right with respect to any particular policy year or succession or combination of policy years shall not be deemed or considered a waiver by Seller of Buyer's continuing obligation to provide Buyer's own such coverage and Seller shall not, by exercising this right become thereafter obligated to notify Buyer of Seller's future election not to purchase further such coverage on Buyer's behalf.

Buyer must make all insurance premium payments, whether for insurance purchased through Best Insurors, Inc., or from another company, directly to the agency or company from which the insurance is obtained. NO PREMIUMS FOR INSURANCE ARE INCLUDED IN THIS CONTRACT NOR ARE ANY PREMIUMS PAID FOR THROUGH BUYER'S DOWN PAYMENT OR MONTHLY PAYMENT.

INITIAL THE BOX(ES) APPLICABLE TO THE ELECTION YOU MAKE:

☒ NLG SLG The undersigned Buyer elects to obtain the insurance through Best Insurors, Inc.
☐ ☐ The undersigned Buyer elects to furnish the required insurance through an insurance company other than Best Insurors, Inc.

Furthermore, Buyer certifies to Seller that I understand and acknowledge the following:

- That the Contract to have Seller build a House for me and the mortgage (hereafter the "Security Instrument") I am signing with the Contract requires me to maintain continuous insurance coverage against damage or loss to my House from fire, lightning, windstorm and extended coverage in an amount at least sufficient to protect Seller's financial interest in my House until such time as I have fully paid Seller for my House.
- That I must provide proof of the required insurance coverage to Seller from the date the House is released to me/us by Seller and that all renewal policies thereafter must be provided to Seller thirty (30) days prior to the expiration of the current policy.
- That if I fail to provide such insurance coverage, I will be in default of my obligations under the Contract, which could subject me, at the option of Seller, to the remedies for breach of contract.
- That the insurance coverage required under my Contract and Security Instrument is limited to a Fire and Extended Coverage policy. This type of policy will only insure against damage done to my House itself as a result of an insurable event. It does not include protection for damage to the contents of my House or for any liability I may have as a homeowner for personal injuries to other people, both of which are coverages provided by a "Homeowners" policy.
- That Best Insurors, Inc. ("Best") offers, as disclosed in the Contract, insurance coverage that meets the requirements under the Contract and Security Instrument. Best is a Florida corporation affiliated with Seller by common ownership. Best has an established relationship with a licensed insurance agent domiciled in my state.
- That I have the right to obtain insurance coverage beyond the insurance required by the Contract and the Security Instrument; that it will be in my best interest to contact an insurance agent, broker or advisor about the amount and type of policy that would be appropriate for my insurance needs; that I may contact any agent, broker or company I wish in order to obtain the insurance coverage I want at the most competitive price; that I may choose the agency, broker or company through which the required insurance is obtained, provided the agency, broker or company is authorized to do business in my state; and that I may provide the required insurance coverage either through an existing policy or a new policy that I purchase independently.

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Jim Walter Homes, Inc. EXHIBIT "C" - South Carolina

- That the required insurance policy must contain a clause making the proceeds of such insurance payable to Seller, or its assigns, to the extent of Seller's financial interest in my House.
- That Seller shall have the right, at its option, either to apply such insurance proceeds to the unpaid balance of the Contract or to permit such proceeds to be used to repair any damage to my House.

I further understand and acknowledge:

- That once Seller finishes building my House, It intends to assign my Contract and Security Instrument (together, referred to as "Account") to Mid-State Homes, Inc. ("MSH"), a company affiliated with Seller by common ownership; and that MSH will either retain or further assign my Account, but in any event will service my Account, which will include verifying that I have provided the insurance coverage required by the Contract and Security Instrument.
- That everything following the first paragraph in this Insurance Disclosure Statement which refers to Seller also applies to MSH and to any other assignee of the Contract.
- That the Contract and the Security Instrument further provide that, if I fail to deliver proof of the required insurance coverage at any time during the term of the Contract, Seller has the right - but not the obligation - to purchase such insurance for its own protection at my expense; this practice is commonly known as buying collateral protection insurance or "forceplacing" insurance.
- That Seller does not wish to forceplace insurance on my House; and that it is in my own best interest, for the reasons stated below, to obtain my own insurance on my House rather than have Seller forceplace insurance:

- 1) Seller's exercise of its right to forceplace insurance with respect to any particular policy year or succession or combination of policy years does not cure my default under the Contract and Security Instrument and shall not be deemed or considered a waiver by Seller of my continuing obligation to provide my own insurance coverage, and Seller shall not, by exercising its right on one or more occasions to forceplace coverage, thereafter become obligated to notify me of its future election not to forceplace insurance coverage on my House.
- 2) Seller presently buys its forceplaced insurance coverage through Best. I hereby authorize Seller, if I fail to provide evidence to Seller that I have obtained the required insurance coverage, to forceplace coverage through Best or any other agent or agency properly licensed to conduct business in my state.
- 3) The coverage Seller purchases from Best is limited to a Fire and Extended Coverage policy. If I want a Homeowner's policy, I must purchase my own policy.
- 4) If Seller forceplaces insurance on my House, the premium will be charged to me. The premium for Fire and Extended Coverage insurance will be within the range of premiums authorized by the Department of Insurance or the Insurance Commissioner of my state. However, competing insurance agencies or companies operating in my state may offer similar coverage, or Homeowners coverage, at a lower cost. If I want to obtain the most competitive price and/or the additional coverage offered by Homeowners Insurance, I should look for and purchase such insurance myself.
- 5) If Seller forceplaces insurance on my House because I fail to provide evidence that I have purchased the required insurance, Seller, at its option, will order a policy from Best to provide the required coverage. Best will send me the policy and an invoice for payment of the premium. I am expected to pay Best directly. If I fail to pay Best, Seller will pay Best directly. If Seller pays Best, I am required by the Contract and Security Instrument to fully reimburse Seller immediately for the cost of such insurance. Until I have fully reimbursed Seller, the outstanding amount of the advance made by Seller to pay the premium to Best will accrue interest (if permitted by my state's law) at the rate disclosed in the Contract.
- 6) The insurance coverage purchased by Seller will be solely to protect its own financial interest in my House. It will not be for my protection. Consequently, if Seller forceplaces insurance, Seller will only purchase insurance in an amount needed to pay off the unpaid balance of the Contract as of the date the insurance is purchased or such lesser amount as may be provided in the Contract. This amount will include the premium for such insurance. Most likely, if insurance is forceplaced and my House is later totally destroyed by an insurable event (such as fire), all of the insurance proceeds paid by the insurance company will be paid to Seller to satisfy my Account. I will receive little, if any, of the proceeds myself. I may lose, therefore, the equity in my House and the value of all of the contents in my House. I also may be liable for any personal injuries that may occur that would normally be covered by Homeowners insurance.

I hereby authorize Seller to use and disclose to insurance agents or companies, including Best, any and all information regarding the insurance requirements contained in my Contract and Security Instrument, the balance due under my Contract, and the value of my House and any other information reasonably necessary to obtain insurance coverage.

I hereby acknowledge reading, understanding and receiving on the date indicated below a copy of this Insurance Disclosure Statement. I acknowledge that Seller and its employees and agents have not advised me about the amount of insurance I should buy or required me to purchase insurance through any particular agent, broker or company. I further acknowledge that Seller has advised me to seek assistance about my insurance needs from a licensed insurance agent or other insurance advisor. I further understand and agree that the above requirements and procedures are consistent with the terms of the Contract and Security Instrument and that Seller and its assigns are under no obligation to purchase insurance coverage for my benefit. If I have any questions about this Insurance Disclosure Statement or any other matter relating to the Contract, I understand that I can telephone, toll-free, 1-800-925-8374 for assistance.

03/07/2007

Date Buyer-Signature

Natasha L. Green
PRINTED NAME

03/07/2007

Date Buyer-Signature

Shilon L. Green
PRINTED NAME

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EXHIBIT "D"
ARBITRATION AGREEMENT

The parties agree that any controversy (whether asserted as an original claim, counterclaim, cross claim or otherwise) arising out of or relating to this Agreement, or the breach thereof, or any negotiations leading up to the making of this Agreement, or any extensions of credit related to this Agreement, or the House that is the subject of this Agreement, or any insurance sold under or in connection with this Agreement, or any relationship resulting from any of the foregoing, whether asserted in tort, contract or warranty, or as a federal or state statutory claim, and whether arising before, during or after performance of this Agreement, shall be settled under this Arbitration Agreement in accordance with the procedures specified below. This Arbitration Agreement shall encompass and govern not only all controversies between Buyer and Seller, but also all controversies between Buyer and Seller and/or assigns, affiliates and present and former agents or employees of either Buyer or Seller.

The parties agree that as a condition precedent to either party instituting an arbitration proceeding and/or making a demand for arbitration pursuant to the procedures outlined herein, the party seeking arbitration will first notify the other, in writing, of the nature of the claim and/or dispute and then each party shall use their best efforts to resolve the dispute to each of their mutual satisfaction. If the parties cannot resolve the dispute by mutual agreement within fourteen (14) days of the written notice, then the parties agree to submit the dispute to non-binding mediation, the cost of which will be borne solely by Seller or its assign. The parties shall, in good faith, attempt to agree on the selection of a disinterested third party to act as mediator. In the event the parties cannot agree on the selection of a mediator, they agree to allow the Bar Association of the state in which this contract is entered into to select an individual from its approved panel of neutrals. If the Bar Association fails or refuses to select a mediator for the parties, they agree that the presiding judge of the state court of general jurisdiction sitting in the county in which the branch office of Seller that sold the House that is the subject of this Agreement is situated, may select the individual to serve as mediator.

In the event and only after the parties have been unable to resolve their disputes and/or claims through private negotiations and mediation, shall a party be entitled to institute an arbitration proceeding pursuant to the following procedures. The parties, as with the mediation process, shall, in good faith, attempt to agree on the selection of one individual to serve as the arbitrator. If the parties cannot agree on the selection of the arbitrator, then the arbitrator shall be selected in accordance with the rules of United States Arbitration and Mediation (USA&M) in effect as of June 30, 2003. Any arbitration hereunder shall be conducted pursuant to the rules of USA&M in effect as of June 30, 2003. Copies of rules may be obtained by contacting the Warranty/Customer Service Department, P.O. Box 31601, Tampa, Florida 33631-3601. USA&M is not a party to this Agreement and does not have the authority to alter, amend and/or change the procedures and/or rules set forth herein without the written consent of all parties hereto. To the extent USA&M changes and/or modifies its rules of June 30, 2003 and the parties to this Agreement do not provide their written consent to be bound by said changes and/or modifications and USA&M refuses to administer an arbitration hereunder, the parties to this Agreement agree that USA&M can be replaced with a substitute association to be selected by the presiding judge of the state court of general jurisdiction in the county in which the branch office of Seller that sold the House that is the subject of this Agreement is located. The parties to this Agreement acknowledge that the selection of USA&M and its rules and/or procedures is not an essential and/or material term of this Agreement and any issues relating thereto shall not be grounds to otherwise avoid and/or override the parties' expressed intent to arbitrate - rather than litigate - the disputes and/or claims covered by this Agreement.

Any dispute regarding whether a particular controversy is subject to arbitration, including, but not limited to claims contesting the making, existence, enforceability, scope or conscionability of this Arbitration Agreement, shall be decided by the arbitrator.

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Initials

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EXHIBIT "D"

The parties agree that each party may take no more than two (2) depositions without the express written approval of the arbitrator. All controversies or claims will be decided on an individual (non-class) basis, and the claims of other parties will not be consolidated with or heard along with the claims of Buyer or Seller. Notwithstanding any rule to the contrary, to the extent permitted by applicable law, the arbitrator shall not have the power or authority to award any relief on a class-wide basis. The arbitrator shall award the relief, if any, that a court of competent jurisdiction could properly award under the facts and the applicable law (including punitive damages, attorney's fees and other costs, if allowed by applicable law or by Agreement). All defenses and privileges that would be available in a court proceeding will likewise be available in the arbitration. The provisions of this Arbitration Agreement to arbitrate disputes and any award of the arbitrator may be enforced by any court of competent jurisdiction. If either party refuses to arbitrate and the other party files suit to compel arbitration the party at whose request enforcement is ordered will be entitled to an award of all costs, fees and expenses, including a reasonable attorney's fee incurred in compelling arbitration, to be paid by the party against whom enforcement is ordered. The arbitration shall be conducted in the office of the arbitrator or such other location as may be agreed upon by the parties or designated by the arbitrator. The cost of the arbitration will be divided equally among the parties to the arbitration. Except as otherwise provided in this Arbitration Agreement or by the arbitration rules selected herein, the parties will bear their own expenses and attorney's fees. Upon Buyer's written request demonstrating financial hardship or upon a finding by the arbitrator that there is financial hardship, Seller may, solely in its discretion, pay or advance all or part of the cost of the arbitration. The parties agree that this provision in no way imposes any duty upon the Seller to determine the financial ability of the Buyer.

Buyer acknowledges that Seller is a Florida corporation with its principal place of business in the State of Florida. The parties acknowledge and contemplate at the time of the execution of this Agreement that some or all of its materials, fixtures and equipment, as well as the source of financing contemplated by this Agreement, will be purchased, received or have their origin from sources outside the state where the House is to be constructed. The parties contemplate that through the performance of this Agreement substantial interstate activity will occur and is affected thereby.

Notwithstanding the foregoing, should a combined controversy otherwise subject to the terms of this Arbitration Agreement seek relief in an aggregate amount not exceeding \$1500.00, the parties shall retain the election to seek relief from a court of competent jurisdiction. The intent of this election is to limit arbitration to claims that could not reasonably and legitimately be characterized as "small claims" defined as claims involving in the aggregate less than \$1500.00 in controversy. Further, notwithstanding the foregoing, Seller and its assigns retain the option to use judicial or non-judicial relief to seek such remedies as (i) foreclosure and ejectment granted to Seller or its successors and assigns in the mortgage or under applicable law, (ii) suits to establish or quiet title to any property covered by the mortgage, and (iii) suits to establish or enforce equitable liens. The institution and maintenance of an action for judicial relief in accordance with the preceding sentence shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Agreement, including any counterclaim filed in a suit brought by Seller, or its assigns, pursuant to this provision.

This Agreement to arbitrate disputes will survive payment in full of any promissory note or other debt and satisfaction of mortgage or other security lien. The terms of this Agreement control over any inconsistent rules and/or procedures of USA&M currently in effect or hereinafter adopted.

HLB SLG
Initials

EXHIBIT "D"

NOTICE: Seller and Buyer hereby knowingly and voluntarily waive the right to trial by jury of any controversy between them that is covered by this Arbitration Agreement. Buyer acknowledges that he/she/they are waiving their right to a trial by jury that may otherwise exist by executing this Agreement.

By signing the space below, you are agreeing to have all controversies described in this Arbitration Agreement decided by binding arbitration, and you are giving up any rights you might possess to have those matters litigated by a jury trial or in a court, except to the extent specifically provided for under this Agreement. By signing in the space below you are giving up your judicial rights to discovery and appeal except to the extent that they are specifically provided for under this Agreement. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under federal or state law. By signing in the space below, you are acknowledging that your agreement to this arbitration provision is voluntary and freely given.

To the extent any provision of this Agreement is declared to be unenforceable, such provision(s) is to be severed from the other provisions hereto and said remaining provisions shall remain in full force and effect.

I/We have read and understand that foregoing, waive our right to a jury trial, and agree to submission of all controversies to binding arbitration in accordance with this Arbitration Agreement.

Seller:

Jim Walter Homes, Inc.

BY: *James Hoffman*Signature
Date: 03/07/2007

Buyer:

*Natasha L. Green*Signature
Printed Name
Date
03/07/2007*Shilon L. Green*Signature
Printed Name
Date
03/07/2007

**SOUTH CAROLINA
FINANCING AGREEMENT**

JIM WALTER HOMES, INC.

097

THIS AGREEMENT made this 7th day of MARCH, 2007
between Natasha L. Green & Shion L. Green
hereinafter referred to as "Buyer",
whose address is 927 S. Eleventh St., McBee, SC, 29101
and JIM WALTER HOMES, Inc., a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard., Tampa,
Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller."

WITNESSETH:

1. **Description of Property.** Seller agrees to build a house as set forth in that certain Construction Agreement, and including the plans and specifications and Exhibits "A, B, C, and D" according to the standards as set forth in the Limited Warranty (the "House"), all of which are incorporated herein by reference, on the property of Buyer, located at 401 Union Church Road, McBee, SC and having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT

ANNUAL PERCENTAGE RATE The cost of your credit at a yearly rate. <u>11.00</u> %	FINANCE CHARGE The dollar amount the credit will cost you. <u>\$ 299,490.00</u> /	AMOUNT FINANCED The amount of credit provided to you or on your behalf. <u>\$ 123,330.00</u> /	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled (not including any down payment). <u>\$ 422,820.00</u> /	TOTAL SALES PRICE The total cost of your purchase on credit, including your down payment of <u>\$ 0.00</u> <u>\$ \$ 422,820.00</u>
Your payment schedule will be:				
NUMBER OF PAYMENTS <u>360</u> /	AMOUNT OF EACH PAYMENT <u>1,174.50</u> /	WHEN PAYMENTS ARE DUE monthly, beginning the <u>5th</u> day of the month following the <u>45th</u> day after release of the House to the Buyer.		
You may obtain property insurance from anyone you want that is acceptable to Creditor. If you get insurance through Best Insurers, Inc. your annual premium is estimated to be \$ <u>367.00</u> for the one year term of the policy. Security: You are giving a security interest in real property together with all improvements now or hereafter placed on the property located at: Street address or Rural Route: <u>401 Union Church Road</u> City <u>McBee</u> State <u>SC</u> Late Charge: If a payment is late, you will be charged \$14.50 or 5% of the unpaid portion of the installment in default, whichever is less. Prepayment: If you pay off early, you will not have to pay a penalty and you will be entitled to a refund of part of the Finance Charge. Assumption: This indebtedness cannot be assumed. An itemization of the amount financed is provided below. See the remainder of this contract and the documents signed in conjunction with it for any additional information about nonpayment, default, any required payment in full before the scheduled date, and prepayment refunds and penalties.				
Itemization of Amount Financed: Cash Price \$ <u>123,330.00</u> Less Down Payment of \$ <u>0.00</u> Amount Financed \$ <u>123,330.00</u> /				

2. **Time Price: Payment.** Buyer acknowledges that Buyer has been offered the opportunity to pay for the House in full immediately upon its completion, in which case Buyer would pay a cash price of \$ 123,330.00 /
However, Buyer has made a down payment of \$ 0.00 / and has elected and agrees to purchase said House on credit over time for a Time Price of \$ 422,820.00 / which includes a Finance Charge of \$ 299,490.00 / calculated at an Annual Percentage Rate of 11.00 % per annum. The Finance Charge begins to accrue thirty (30) days prior to the due date of the first scheduled installment.

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The due date of the first scheduled installment will be determined with reference to the date of Seller's completion or substantial completion of its construction obligations hereunder. Substantial completion occurs when Seller determines that it has performed its obligations as set forth in the contract with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate" and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items; and such remaining items will not prevent Buyer from preparing the House for occupancy. Once Seller has completed or substantially completed its construction obligations hereunder, it will "release" the House (as that term is defined in the Limited Warranty) to Buyer and notify Buyer of said release by mailing or otherwise delivering to Buyer to or at the address designated by Buyer a Completion Notice (which will contain the Payment Commencement Date). The Payment Commencement Date will be on the 5th day of the month following the 45th day after said release of the House to Buyer. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

Note - Weather conditions existing at the time of construction may cause Seller to delay the painting of the exterior of the House for a period of time. Furthermore, a Buyer may elect to do interior work which must be completed prior to other items being installed by Seller. This could prevent Seller from completing items for an indefinite period of time until Buyer completes Buyer's own work. The failure of Seller to have completed these items shall have no bearing on Seller's ability to release the substantially completed House to Buyer prior to such completion, nor shall it relieve Buyer from Buyer's obligation set forth in this Financing Agreement and in the promissory note and/or mortgage executed in conjunction herewith to commence Buyer's regular monthly payments.

3. **Insurance.** Seller requires Buyer to keep the House to be built under this contract insured against damage or loss from fire, lightning, windstorm or tornado, and extended coverage and such other coverage as Seller may reasonably require. Buyer must maintain the required insurance coverage from the date the House is released to Buyer by Seller until Buyer's obligations under this contract are fully discharged. IN CONNECTION WITH THE FOREGOING ELECTION, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE INSURANCE DISCLOSURES SET FORTH IN EXHIBIT "C" ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

4. **No Oral Representations; Arbitration.** This instrument and the other instruments signed in connection with this transaction (including a Limited Warranty) contain the price and all the terms and conditions agreed upon by Buyer and Seller, and no statement, representation or promise not set forth in this contract, or any of the other said instruments, has been made to induce either party to enter into this transaction. IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.

5. **Title to the Property.** Buyer warrants that Buyer owns the property described herein free and clear of all liens and encumbrances. In the event a full or complete legal description of the land upon which the House is to be built is unknown or unavailable to the parties at the time of execution hereof, Buyer agrees that the full or complete description of said land may be subsequently obtained and inserted by Seller in this document and such other documents executed in conjunction with this transaction which require a legal description and any such completion or correction of the description shall be effective as of the execution hereof.

6. **Security Interest in the Property.** Buyer agrees to execute and deliver to Seller a promissory note evidencing the amount of indebtedness hereunder and to execute and deliver a mortgage covering the real property described in Paragraph 1, together with all buildings (including the House to be built hereunder), structures and improvements now or hereafter located on said real property securing the payment of the indebtedness hereunder, all of the terms of which promissory note and mortgage are incorporated herein by this reference. Said promissory note and mortgage shall be on forms supplied by Seller. The mortgage shall provide that the holder may (but shall not be obligated to do so) advance moneys that should have been paid by Buyer in order to protect the lien or security of the mortgage, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security of the mortgage such as repairs, necessary improvements or attorney's fees advanced to this end and the Buyer agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in this Financing Agreement, and shall be considered as so much additional indebtedness secured thereby; but no payment by the holder of any such moneys shall be deemed a waiver of the holder's right to declare the principal sum due under the mortgage by reason of the default or violation of Buyer in any of Buyer's covenants thereunder.

7. **Prepayment.** Buyer may prepay in full all sums remaining unpaid under this contract at any time, and upon prepayment, Buyer shall receive a credit for all unearned charges, including a credit for the unearned Finance Charge computed pursuant to the Actuarial Method.

8. **Late Fee.** For each installment not paid in full within fifteen (15) days of its scheduled due date, Buyer will be charged Fourteen Dollars and fifteen cents (\$14.50) or five percent (5%) of the unpaid portion of the installment in default, whichever is less, provided that only one late charge will be charged on any installment, regardless of the period during which it remains in default.

9. **Insufficient Funds Charge.** If any check tendered to Seller or its assigns by Buyer hereunder is not paid upon presentation or is dishonored by the bank or depository institution upon which it is drawn, Buyer agrees to pay Seller a returned check charge of Twenty Dollars (\$20.00), which charge, if incurred by Seller shall be considered additional indebtedness secured by the mortgage.

10. **Cancellation.** In the event an unsatisfactory report of Buyer's credit or any other information unsatisfactory to Seller is received prior to beginning the construction of the House, Seller, at its option, may within ten (10) days thereafter, cancel this agreement upon returning to Buyer any payments or deposits. All provisions of this contract are subject to approval by an authorized representative of Jim Walter Homes, Inc.

11. Indemnification; Location of House on Property. In the event the House is constructed in a manner or at a location so as to be not entirely located upon the above-described property or the above-described property is not wholly owned by Buyer, Buyer agrees (1) to indemnify Seller for and hold Seller harmless from any and all damages, losses, judgments, expenses, costs, attorneys' fees (which attorneys are to be selected at Seller's sole discretion) and litigation expenses arising from resolving or litigating the circumstances or issues resulting from the House being located partially or wholly upon the wrong property, the payment of all of which sums shall be secured by the House and all other property made the subject of Seller's liens; (2) that the above-described property and the liens of Seller shall also include and encompass any property of Buyer, whether now owned or hereafter acquired, upon which the House is actually located together with such additional property as is reasonably necessary, including up to fifty (50) feet in any direction from the House, as well as reasonable ingress and egress thereto; and/or (3) that Seller may, at Buyer's expense, purchase property at an alternative location (Seller to make a good faith effort to select property as geographically proximate to the improper location as reasonable under the circumstances), move the House to said location, and attach the Seller's liens to the House and property at said alternative location (selected at Seller's sole discretion).

12. Assignment. Seller may assign its interest in this contract and this contract shall be binding upon and inure to the benefit of the assigns and successors of the Seller.

13. Assumption. Buyer's indebtedness hereunder may not be assumed by any subsequent purchaser of the House.

14. Attorneys' Fees. In the event the promissory note executed in conjunction with this transaction is placed in the hands of an attorney, not a salaried employee of Seller, for collection, by suit or otherwise, or to enforce their collection by foreclosure or to protect the security for their payment, the Buyer will pay all costs of collection and litigation, together with reasonable attorneys' fees not exceeding fifteen percent (15%) of the unpaid debt after default and the same shall be a lien on the premises the subject of this transaction and enforced by a sale of the property as in the mortgage and herein provided.

15. Acceleration Upon Default. In the event Buyer fails to perform any obligation in this contract, or in the Construction Agreement or in said promissory note or mortgage, the Seller may, at Seller's option, declare all sums remaining unpaid hereunder immediately due and payable. In the event of such acceleration, Buyer shall receive a credit for any unearned Finance Charge, computed pursuant to the "Actuarial Method" to the nearest scheduled payment date. Any failure to exercise said option of acceleration shall not constitute a waiver of the right to exercise the same at any other time.

16. Enforceability. Should any provision of this Financing Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

17. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (i) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (ii) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

18. Governing Law. This Financing Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

NOTICE:

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE BUYER COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE BUYER SHALL NOT EXCEED AMOUNTS PAID BY THE BUYER HEREUNDER.

NOTICE TO THE BUYER: DO NOT SIGN THIS BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. THE BUYER ACKNOWLEDGES THAT BUYER HAD THE ELECTION OF PURCHASING EITHER FOR CASH OR UPON A TIME PRICE BASIS AND HAS ELECTED TO PURCHASE ON THE TIME PRICE BASIS.

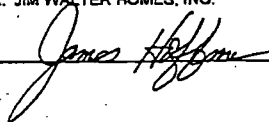
THE BUYER ACKNOWLEDGES THAT BUYER RECEIVED A COPY OF THIS AGREEMENT AND THAT BEFORE SIGNING THE SAME, THE CONTRACT CONTAINED THE ENTIRE TERMS AND ALL BLANK SPACES HAD BEEN FILLED IN PRIOR TO THE SIGNING OF THE SAME.

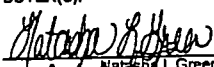
IN WITNESS WHEREOF, the Buyer(s) and Seller have executed this contract on the day and year first above written.

SELLER: JIM WALTER HOMES, INC.

BUYER(S):

BY:




Natasha L. Green

(SEAL)


Shilon L. Green

(SEAL)

STATE OF SOUTH CAROLINA)

COUNTY OF CHESTERFIELD)

IN THE COURT OF COMMON PLEAS

Walter Mortgage Company,)

Plaintiff,)

vs.)

Natasha L. Green and Shilon L. Green,)

Defendants.)

Case No. 08-CP-13-25

ARBITRATION AWARD

Natasha L. Green and Shilon L. Green,)

Third-Party Plaintiffs,)

vs.)

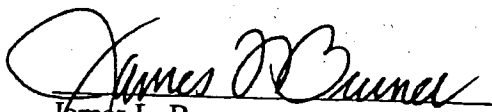
Jim Walter Homes, Inc.,)

Third-Party Defendant.)

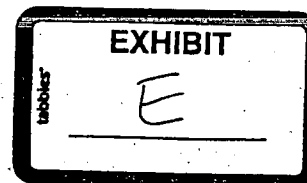
The undersigned James L. Bruner, the duly appointed arbitrator in the above-captioned action, having received the evidence presented by the parties and considered the argument of counsel for each party, hereby makes the following award with respect to all issues framed by the third-party pleadings and in accordance with the South Carolina Uniform Arbitration Act:

The Third-Party Defendant shall pay to the Third-Party Plaintiffs the sum of \$4,300.00.

This award is in full satisfaction of all claims and issues framed by the third-party pleadings in the above-referenced case. The claims and issues framed by the first-party pleadings are not within the scope of the parties' arbitration agreement and are not considered or decided herein. Each party shall bear his own attorneys' fees and costs.


James L. Bruner
Arbitrator

December 3, 2008
Columbia, SC



STATE OF SOUTH CAROLINA
COUNTY OF CHESTERFIELD

WALTER MORTGAGE CO.,

Plaintiff,

v.

NATASHA L. GREEN AND SHILON L.
GREEN,

Defendants.

IN THE COURT OF COMMON PLEAS
FOR THE FOURTH JUDICIAL CIRCUIT

CASE NO.: 08-CP-13-0025

ORDER FOR REFERENCE

FILED
CLERK OF COURT
2009 MAR 20 AM 10 55

A True Copy
Attest
J. D. S. S. S.
CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

This matter was before the Court on Monday, March 16, 2009, and after hearing arguments by both parties, the Court hereby ORDERS:

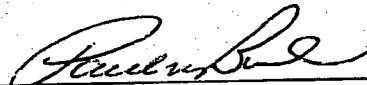
That this action is referred to William O. Spencer, Jr., as Special Referee to take testimony, rule upon motions, including motions presented to the Court on this date, and to direct entry of final judgment in this action under Rule 53(b), S.C.R.C.P., and all matters arising from or reasonably related to such action. Said Special Referee shall have the authority to remand any issues back to this Court that he deems necessary for trial by jury. The Special Referee shall retain jurisdiction to perform all necessary acts incident to this foreclosure action including issuance of a writ of assistance or issuance of any rule to show cause, including, but not limited to, any rule to show cause why a party should not be bound by the judgment of foreclosure. Further, the Special Referee shall retain jurisdiction to hear any action contesting the validity of the foreclosure action or sale or any motions pursuant to the South Carolina Rules of Civil Procedure, including, but not limited to, Rule 60(b).

The hearing shall be held in the office of William O. Spencer, Jr., Special Referee for Chesterfield County, located at:

301 West Main Street
Chesterfield, South Carolina 29709

and the final report by the Special Referee shall be filed with the Clerk of Court for Chesterfield County not later than sixty (60) days after the date of the hearing.

AND IT IS SO ORDERED.



Paul M. Burch, Circuit Judge

Chesterfield, South Carolina
March 18, 2009

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

Walter Mortgage Company

☒ Plaintiff

v.

Natascha L. Green and Shilon L. Green

☐ Defendant.

IN THE COURT OF COMMON PLEAS

COPY

CASE NO.

08-CP-13-25

MOTION AND ORDER INFORMATION FORM
AND COVER SHEET

Plaintiff's Attorney:

J. Kershaw Spong, Bar No. 5289

Address: PO Box 944

Columbia, SC 29202

phone: (803) 779-8900 fax: (803) 771-9411

e-mail: kerk@robinsonlaw.com other:

Defendant's Attorney:

Barry L. Thompson, II, Bar No.

Address: Post Office Box 5709

West Columbia, SC 29171

phone: (803) 796-9160 fax: (803) 791-8410

e-mail: barry@mttlaw.com other:

☒ MOTION HEARING REQUESTED (attach written motion and complete SECTIONS I and III)☐ FORM MOTION, NO HEARING REQUESTED (complete SECTIONS II and III)☐ PROPOSED ORDER/CONSENT ORDER (complete SECTIONS II and III)

SECTION I: Hearing Information

Nature of Motion: Motion for Summary Judgment

Estimated Time Needed: 30 minutes Court Reporter Needed: ☒ YES / ☐ NO

SECTION II: Motion Type

☒ Written motion attached☐ Form Motion/Order --

I hereby move for relief or action by the court as set forth in the attached proposed order.

Signature of Attorney for ☒ Plaintiff / ☐ Defendant

February 5, 2009

Date submitted

SECTION III: Motion Fee

☒ PAID - AMOUNT: \$25.00☐ EXEMPT: ☐ Rule to Show Cause in Child or Spousal Support(check reason) ☐ Domestic Abuse or Abuse and Neglect☐ Indigent Status ☐ State Agency v. Indigent Party☐ Sexually Violent Predator Act ☐ Post-Conviction Relief☐ Motion for Stay in Bankruptcy☐ Motion for Publication ☐ Motion for Execution (Rule 69, SCRCF)☐ Proposed order submitted at request of the court; or,
reduced to writing from motion made in open court per judge's instructions

Name of Court Reporter:

☐ Other:

JUDGE'S SECTION

☐ Motion Fee to be paid upon filing of the attached order.☐ Other:

JUDGE

CODE: Date:

CLERK'S VERIFICATION

Date Filed:

Collected by: _____

☐ MOTION FEE COLLECTED: _____☐ CONTESTED - AMOUNT DUE: _____

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

Walter Mortgage Company,

Plaintiff,

v.

Natasha L. Green and Shilon L. Green,

Defendant.

IN THE COURT OF COMMON PLEAS

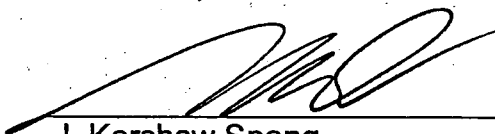
Case No.: 08-CP-13-25

**PLAINTIFF'S MOTION FOR
SUMMARY JUDGMENT**

TO: THE DEFENDANT ABOVE NAMED:

Pursuant to Rule 56, SCRPC, Plaintiff moves for summary judgment on its foreclosure action. There are no material issues of fact in dispute, and Plaintiff is entitled to judgment as a matter of law. This Motion is based on the pleadings filed of record, and the Affidavit of Walter Mortgage Company and supporting exhibits attached hereto and such other memorandum of law as may be provided.

ROBINSON, MCFADDEN & MOORE, P.C.



J. Kershaw Spong
Post Office Box 944
Columbia, SC 29202
(803) 779-8900
Attorneys for the Plaintiff

Columbia, South Carolina

February 6th, 2009

STATE OF SOUTH CAROLINA
COUNTY OF CHESTERFIELD

)
) IN THE COURT OF COMMON PLEAS
)

Walter Mortgage Company,
Plaintiff,

Case No.: 08-CP-13-25

v.
Natasha L. Green and Shilon L. Green,
Defendants.

**AFFIDAVIT OF WALTER
MORTGAGE COMPANY**

This affiant being dully sworn states as follows:

1. I am Michael Huffman, Assistant Property Administrator, for Walter Mortgage Company ("WMC"). The statements contained in this Affidavit (except those matters stated as to information and belief, and as to those matters affiant believes them to be true) are based on my personal knowledge of the account forming the basis of this action and/or the business records of WMC which are kept in the ordinary course of WMC's regularly conducted business activity and it is the regular practice of WMC to maintain and compile the acts, events, and records at or near the time of the event. WMC relies on these records to be accurate in conducting its business activities.

2. Plaintiff is a corporation duly organized and existing under and by virtue of the laws of the United States.

3. The Defendants Natasha L. Green and Shilon L. Green are residents and citizens of the County of Chesterfield, State of South Carolina, and that the subject of this action is real property located in the County of Chesterfield, State of South Carolina.

4. According to the records of the Chesterfield County Register of Deeds, the Greens purchased a lot in Chesterfield on which the subject house was built for \$3,600.00. The deed was recorded April 16, 2007 in Book 435, page 459. On or about March 7, 2007, Defendants Natasha L. Green and Shilon L. Green entered into a

construction agreement whereby Jim Walter Homes, Inc. agreed to build a house for Defendants on credit. A true copy of said agreement is attached as Exhibit A. Also, heretofore, under date the 7th day of March, 2007, Defendants Natasha L. Green and Shilon L. Green made, executed, and delivered to Jim Walter Homes, Inc. a certain Financing Agreement in writing, wherein and whereby they promised to pay to Jim Walter Homes, Inc. the sum of One Hundred Twenty-Three Thousand Three Hundred Thirty-Three and no/100 Dollars (\$123,330.00), plus a finance charge at the rate of 11.0% per annum on the unpaid balance; said principal and finance charge being payable in monthly installments of One Thousand One Hundred Seventy-Four and 50/100 Dollars (\$1,174.50), on the terms stated therein until said financing agreement is fully paid. The Financing Agreement is attached as Exhibit B. In paragraph 6 of the financing agreement, the Greens agreed to execute and deliver to Jim Walter Homes, Inc. a mortgage on the subject real property to secure the construction on credit of the house.

5. In order to secure the payment of the Financing Agreement, the said Defendants did on the same date, to-wit, the 7th day of March, 2007, make, execute, and deliver to Jim Walter Homes, Inc., its successors and assigns, a certain mortgage covering real property located in the County and State aforesaid and in said mortgage described as will more fully appear by reference to Exhibit "C" attached hereto and made a part hereof.

6. Thereafter, on the 16th day of April, 2007, said mortgage was recorded in the Office of the Clerk of Court for Chesterfield County in Book 419 at page 960.

7. Thereafter, by assignment dated the 8th day of January, 2008, and recorded in said Clerk of Court's Office, the said Jim Walter Homes, Inc. assigned said

mortgage to the Plaintiff, which is now the owner and holder thereof and the debt secured thereby.

8. In and by the terms of said Financing Agreement and the mortgage securing same, it is provided, among other things, that on failure to pay any installment of either principal or finance charge or any portion thereof when due, or if any of the conditions and requirements in the mortgage securing the same be not complied with, then the whole principal sum and accrued finance charge shall at the option of the legal holder thereof become at once due and payable without notice, and collectible by foreclosure.

9. In and by the terms of the said Financing Agreement it is further provided that the makers thereof shall pay a reasonable sum as and for an attorney's fee if the said Financing Agreement be placed in the hands of an attorney for collection after default.

10. Jim Walter Homes, Inc. constructed the house. Jim Walter tendered the house to the Greens who accepted the house by signing the Tender Acknowledgement/Completion Certificate on or about June 29, 2007. A true copy is attached as Exhibit D.

11. The Greens asserted certain breach of contract claims against Jim Walter which were outlined in their Third-party complaint.

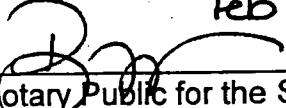
12. These claims were submitted to binding arbitration on November 11, 2008. The Greens were represented by counsel Barry L. Thompson, II. The arbitrator issued his award on December 3, 2008. A copy of the arbitration award is attached as Exhibit E.

13. The Greens have not made one single payment under the Financing Agreement.
14. Photos of the house are attached as Exhibit F.
15. The first installments of principal and finance charges falling due from and after the October 5, 2007, have not been paid although demand for the payment thereof has been made and the Plaintiff, as the holder of the said Financing Agreement and mortgage, has and does hereby elect to declare the entire balance of said principal and finance charges due and payable at once; that there is now due and owing and unpaid upon the said Financing Agreement and mortgage the full and just principal sum of One Hundred Twenty-Three Thousand Three Hundred Thirty and no/100 Dollars (\$123,330.00), together with finance charges thereon at the rate of 11.0% per annum from the September 5, 2007, together with a reasonable sum as attorney's fees for the collection thereof and the costs of this action. A statement of account is attached as Exhibit G.
16. The Plaintiff now demands a deficiency judgment.

Walter Mortgage Company

By: 
 Michael Huffman
 Assistant Property Administrator

SWORN to and subscribed before me
 this 3 day of January, 2009


 Notary Public for the State of Florida
 My Commission Expires: 10/17/2009



BETH UPTON
 MY COMMISSION # DD 482567
 EXPIRES: October 17, 2009
 Bonded Thru Budget Notary Services

CHM

**SOUTH CAROLINA
CONSTRUCTION AGREEMENT**

JIM WALTER HOMES, INC.
(with Limited Warranty)

THIS AGREEMENT made this 7 th day MARCH of 20 07
between Natasha L Green & Shilon L Green
hereinafter referred to as "Buyer,"
whose address is 927 S. Eleventh St, McBeeSC, 29101
and **JIM WALTER HOMES, INC.**, a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard,
Tampa, Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller".

WITNESSETH:

In consideration of the payment by Buyer to Seller of the sum of \$ 123,330.00 (hereinafter referred to as "Purchase Price"), payable as hereinafter set forth, Buyer and Seller hereby agree as follows:

1. Description of House. Seller agrees to build a house, according to the plans and specifications and Exhibits "A", "B", and "D", executed in conjunction herewith and furnished to Buyer prior to the execution of this contract, which are by reference made a part hereof as if fully rewritten herein, on the real property of Buyer located at 401 Union Church Road, McBee, SC 29101, Chesterfield County having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

2. Payment: Draw Schedule. Buyer shall pay the Purchase Price as follows (check one):
- ☐ (a) Payment pursuant to the attached Draw Schedule Acknowledgement from Buyer's own reserve of cash funds.
- ☐ (b) Payment pursuant to the attached Loan Commitment Letter with Draw Schedule provided by Buyer's lending institution.
- 18.6 ☒ (c) Payment pursuant to a Seller-financed installment sale, subject to Seller approving Buyer for an extension of credit and Buyer signing all additional documents required by Seller. In the event Buyer is not approved for Seller-financing, this Agreement is null and void

For payment options 2(a) and 2(b), when Seller determines that there has been substantial completion of its contract obligations hereunder, and thereby determines that the remaining portion of the Purchase Price is due from the Buyer, Seller shall so notify Buyer in writing of such determination and such amount shall become immediately due and payable. Substantial completion occurs when the Seller determines that it has performed its obligations as set forth in the contract, with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate"; and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items; and such remaining items will not prevent Buyer from preparing the House for occupancy. If Buyer fails to make immediate payment, interest at the rate of ten percent (10%) per annum will begin accruing ten (10) days thereafter on any amount remaining outstanding until paid. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

The Purchase Price does not contemplate any revisions or alterations to the basic home model selected by Buyer that may be necessary due to site conditions or local governmental ordinances. In the event that Seller determines that additional costs are required, the parties agree to re-execute a new Agreement or either party may declare this Agreement null and void upon notice to the other.

Under Seller's incremental building concept, it is possible for Buyer to select a combination of interior finishing options from Seller which Seller cannot complete until Buyer first completes certain other work or items Buyer has reserved for Buyer to complete or provide. In such event, when Seller has completed as much work as it can until Buyer completes Buyer's own work, Seller shall promptly notify Buyer of such fact. If within fourteen (14) days of such notification, Buyer completes Buyer's own work necessary to allow Seller to then complete Seller's remaining construction obligations, the payment schedule selected above shall be followed. If, however, Buyer fails to complete Buyer's own such work within fourteen (14) days, Buyer's remaining indebtedness to Seller shall be due and payable in full at the end of such fourteen (14) day period and will accrue interest at the rate of ten percent (10%) per annum until paid.

3. No Oral Representations; Joint and Several Liability; Arbitration Agreement. This instrument and the other instruments executed in conjunction herewith set forth the price and all the terms, promises, agreements, conditions and understandings between Buyer and Seller relative to the construction and purchase of the House to be built hereunder, and there are no other promises, agreements, conditions or understandings either oral or written between them other than as set forth herein. If two (2) or more persons are named herein as Buyer, their obligations shall be joint and several. Before this contract will become effective, it must be approved by an authorized representative of Seller. IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.

MAR 26 2007

EXHIBIT
A

tabbles

4. Completion Date. NO COMPLETION DATE HAS BEEN REPRESENTED OR IS A PART OF THIS CONTRACT.

5. Soil Testing. Seller assumes no responsibility or obligation for, and in fact disclaims any responsibility or obligation for any testing, study or knowledge with respect to whether Buyer's site is suitable or proper for the construction of the House. Buyer hereby expressly warrants to Seller that Buyer has made and performed any and all reasonable or necessary testing, study, and investigation, or that Buyer has knowingly elected to forego any such testing, study and investigation and that Buyer's site is in fact, or deemed by Buyer to be, suitable and proper for the construction of the House to be built by Seller. Buyer acknowledges, understands and agrees that, in agreeing to build the House on the site selected by Buyer, Seller is relying upon Buyer's representation and warranty that the site is in fact suitable and proper for the construction of the House, including but not limited to the suitability and propriety of the foundation option selected by Buyer.

6. Footings and Foundation. Seller will be responsible for constructing any concrete footings for walls and piers as described in the Exhibit "B" incorporated herein. Any additional labor and/or materials required by reason of deficiencies in soil conditions not known to Seller until after excavation is completed, which would require extra footings, reinforcing, piers, concrete block or concrete walls, will be paid for by Buyer in addition to the Purchase Price.

7. Pilings. Unless pilings are specified for this House, either in the plans attached hereto or in "Exhibit A" attached hereto, they are not a part of this contract, will not be provided by Seller and are not included in the price contained in this contract. Unless otherwise required by locally-adopted code, regulation or the like, or unless otherwise agreed in writing by the parties hereto, if pilings are so specified, they shall be set into the ground. The depth into the ground they are to be set will be determined by any relevant, locally-adopted code; if there is no such code, they will be set to the depth established by Seller. In the event Buyer requires that they be set to a depth greater than that determined by code or by Seller, as the case may be, this contract and all related documents, at Seller's option, may be cancelled and rendered null and void, with any downpayment, less expenses actually incurred by Seller, being returned to Buyer. Commencement of construction shall not be deemed a waiver of Seller's right to cancel pursuant to this paragraph.

Unless otherwise specified in writing in this contract and/or the documents relating to it, Seller will install the specified pilings so that the maximum height of the building from the grade as measured from the bottom of the floor joists to the ground surface shall be eight (8) feet. The height of the remainder of the building from the grade is dependent upon the contour, slope or elevation of the ground at the point of installation of each remaining piling and uneven sites may significantly reduce this eight (8) foot maximum clearance.

8. Site Preparation: Locating the House on Lot. Buyer is responsible for ensuring the suitability of and preparing the building site for construction. Such preparation includes, but is not limited to, grading and removal of trees, bushes, shrubs, debris and other such material. Buyer is responsible for precisely locating and siting by use of stakes the desired and proper location and position of the House on the building site and in the event Buyer fails to promptly do so, Seller is entitled to do so on Buyer's behalf; however Seller's doing so shall not relieve Buyer's responsibility for staking the desired and proper location and situation of the House, and in the event Seller does so, it shall be conclusively presumed that the location and position of the House are as instructed and desired by Buyer. Buyer is responsible for all clean-up work to the House and the property after Seller has performed its obligations hereunder.

9. Buyer's Responsibilities. Unless the Buyer has opted on Exhibit "A" for a turnkey stage of completion, this contract between Buyer and Seller is for the construction and sale of a partially-completed House. Seller is required to provide or perform only those items, duties and obligations specifically set forth herein. Any items or work necessary or desirable beyond or in addition to those specifically set forth herein shall be the responsibility of the Buyer. Some such items may include, but are not limited to, the availability, permitting, and installation of a septic system, water, electricity, gas, telephone and other utilities. Buyer is also responsible for obtaining the final Certificate of Occupancy, or its equivalent, for the House unless Buyer has opted for the turnkey stage of completion.

10. Limited Warranty. In conjunction with and as a part of the transaction evidenced by this Construction Agreement, Seller is extending to Buyer a Limited Warranty setting forth the standards pursuant to which the House will be constructed and agreeing to remedy certain items should they become defective during the applicable warranty period. The Limited Warranty is a part of the transaction whereby Buyer has contracted with Seller to construct and sell the House; however, with respect to all matters addressed therein, the Limited Warranty supersedes and controls all other contract documents, discussions and representations. Neither any of the contract documents nor any discussions or representations can change, modify or override the Limited Warranty. The Limited Warranty cannot be changed or altered in any way and neither Buyer nor Seller's agents or employees have any authority to do so.

11. DISCLAIMER OF ALL OTHER WARRANTIES: TO THE EXTENT SELLER CAN LAWFULLY DO SO, SELLER DISCLAIMS ENTIRELY ANY AND ALL WARRANTIES INCLUDING WARRANTIES OF MERCHANTABILITY, SUITABILITY, HABITABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BEYOND THE EXPRESS TERMS AND PROVISIONS OF SAID LIMITED WARRANTY.

12. Indemnification. Buyer hereby indemnifies Seller for any action(s) taken by Seller in reliance upon the statements made by Buyer herein or directions and instructions given by Buyer to Seller in performing the work contemplated hereunder.

13. Cancellation of Contract. In the event Buyer fails to perform any activities or duties required of Buyer (e.g., failure of Buyer to prepare site for construction or, where applicable, failure of Buyer to complete construction of Buyer's own foundation, failure to obtain financing from third-party lender or fails to provide land suitable for building, failure to clear up all title or contract issues), which failure prevents Seller from commencing construction for a period of sixty (60) days from the date hereof, Seller, at its option, may cancel this contract and retain or recover from Buyer the costs incurred up to the date notice of such cancellation is given to Buyer. In the event the contract is cancelled for any other reason, Seller retains the right to recover from Buyer the Seller's cost incurred such as the costs of survey, permitting, title search, perk test, recording fees, and Seller's lost profits incurred up to the date of cancellation. Thereafter, neither Buyer nor Seller shall have any further claim against the other.

14. Buyer Prohibited From Performing Work On House Until House Released By Seller, Exceptions. Until such time as Seller "releases" the House to Buyer, as set forth in the Limited Warranty, Buyer shall not be permitted to perform any labor in or add any materials to the interior of the House which could in any way hinder Seller's ability to finish its contract obligations hereunder. However, Seller will permit Buyer to "rough in" duct work and to prewire for telephones and television antennas during the course of Seller's performance and before the release of the House to Buyer. Until such time as the release of the House to Buyer occurs, Seller is entitled to, and Buyer hereby grants Seller, full and unrestricted ingress and egress to and use of the above-described property to do and perform all acts, works and construction Seller deems reasonable and necessary to perform or fulfill Seller's activities and obligations hereunder in such manner and at such time as Seller elects.

15. Liens. Failure of this Seller or its Subcontractors or Suppliers to pay those persons supplying material or services to complete this contract can result in the filing of a lien on the above-described property which is the subject of this contract. Subcontractors may be retained on Seller's behalf for labor services on the House. Any agreement between Buyer and Subcontractor shall be separate and apart from this contract, and any responsibility for payment associated therewith shall be the sole responsibility of Buyer.

16. Attorneys' Fees. Buyer shall pay Seller's reasonable legal costs and attorneys' fees incurred in successfully enforcing this contract against Buyer.

17. Enforceability of Contract Provisions. Should any provision of this Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

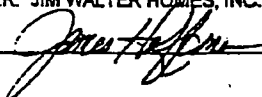
18. Governing Law. This Construction Agreement with Limited Warranty shall be governed by and construed in accordance with the laws of the State of South Carolina.

19. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (I) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (II) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

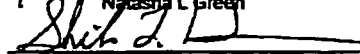
20. Contract Execution. Should more than one Buyer execute this contract, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other. When signed by Buyer, this Agreement becomes an offer to purchase, and upon signature by Seller, becomes a legally binding contract.

IN WITNESS WHEREOF, Buyer and Seller have executed this Construction Agreement on the day and year first above written.

SELLER: JIM WALTER HOMES, INC.

BY: 

BUYER(S):

 (SEAL)
Natasha L. Green
 (SEAL)
Shilon L. Green

BUYER'S RIGHT TO CANCEL

YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

Internal Use Only
Reviewed by: 
Date: 3/9/07

EXHIBIT "A"

Jim Walter HOMES

PACKAGE, OPTION, AND ADDITIONS

Executed in conjunction with that certain Agreement to build a House entered into between Jim Walter Homes, Inc., ("Seller") and the undersigned Buyer (whether one or more, hereafter "Buyer"), of even date herewith. The following package, option and additions are made a part of said Agreement as if fully recited therein:

Package, Option and Additions: JW_CAMBRIDGE

Description	Quantity
Finish Model	1
Winds - 90 to 99 mph	1
OSB - Structural Sheathing	1
Electrical Heat and Air	1
Dumpster	1
Termite treatment	1
Vinyl Insulated Colo Window	1
Code: Site Clean up	1
DELETE Code: Site Clean up	1

Explain
 ↳ Not turnkey
 90%

The above Package, Option and Additions have been selected, approved and purchased by the Buyer.

Any items, supplies and materials delivered to Buyer and not to be installed or incorporated into the House by the Seller shall become the responsibility of the Buyer upon delivery thereof and Seller shall be thereafter fully and completely relieved of and from any liability or obligation for the loss, damage, injury, maintenance, safe keeping or responsibility whatsoever thereto, unless caused by the act or omission of Seller.

The Specifications and Data Rider attached to this Agreement and identified as Exhibit "B", contains the description and specifications of certain items, commodities, materials and services used, delivered or performed by Seller (also referred to as Builder in Exhibit B) or incorporated into the House to be constructed by Seller and, where applicable, the content and substance of those package, option and additions listed above, or otherwise selected, approved and purchased by the Buyer, are limited and defined thereunder, and all parties to this Agreement shall be bound and governed by the terms and limitations thereof.

Jim Walter - Florence
 BRANCH

03/07/2007
 DATED

Natasha Green
 Natasha Green (BUYER)

Shilon Green
 Shilon Green (BUYER)

James K. Johnson
 (SELLER)

MAR 26 2007

THE CLASSIC SERIES
EXHIBIT "B"
SPECIFICATIONS AND DATA RIDER
AUGUST 2004

JOB NAME: Green

BRANCH: Florence

In instances where brand names and/or standards are specified, Jim Walter Homes, Inc. ("Seller" or "Builder") may substitute (without notice) materials of equal or better quality.

Removal of construction debris and post construction clean-up is to be provided by the Buyer unless the home is built to Turnkey Stage of completion. Subcontractors are to place their waste materials in piles at the construction site.

Arrangements for temporary electrical service during construction is the responsibility of the Buyer.

Tap fees and hookups to water source, sewer system, gas supply, phone, or cable television companies are not included in your contract unless specifically noted.

Impact fees are not a part of your contract.

Due to Buyer's participation in the building process, it is very important that Buyer become familiar with the permitting requirements, if applicable, in the area where Buyer's House will be constructed. Builder encourages Buyer to contact the local building department, health department, water management department, and environmental protection department. Please be advised that:

- As required by local customs, practice or ordinance, Builder will either obtain the required building permit(s), or assist the home buyer to do so, for all work contained in the contract between Buyer and Builder.
- It is the Buyer's responsibility to obtain, if necessary, all health, water management, environmental or any other kind of permit(s) required by local custom, practice or ordinance in the area where the House will be built.
- Builder accepts no responsibility for any building permit(s) for work not specified in the contract with Builder, or for any other kind of permit(s).
- Builder will request inspections, when appropriate, of the work done by Builder under the contract with Builder.
- It is Buyer's responsibility to request the additional inspections as required by the building department for work done beyond that included in Buyer's contract with Builder.
- Unless and until all permits have been properly issued and all necessary inspections have been completed, the building department will not allow occupancy of the House. Therefore, it is very important that Buyer comply with the obligations as stated in this notice.

Kathleen R. Green
Buyer's Signature

3-7-07

Date

[Signature]
Buyer's Signature

3-7-07

Date

MAR 26 2007

Jim Walter Homes, Inc. EXHIBIT "C"- South Carolina
NEW CONSTRUCTION INSURANCE DISCLOSURE STATEMENT

Each of the undersigned (who, whether one or more, is called the Buyer in the contract to which this Insurance Disclosure Statement is attached as an Exhibit (the "Contract")) hereby certifies to Jim Walter Homes, Inc. ("Seller") that I understand and acknowledge the following:

Seller requires Buyer to keep the House to be built under this Contract insured against damage or loss from fire, lightning, windstorm or tornado, and extended coverage ("Fire and Extended Coverage") and such other coverage as Seller may reasonably require. Buyer must maintain the required insurance coverage from the date the House is released (as that term is defined in the Limited Warranty) to Buyer by Seller until Buyer's obligations under this contract are fully discharged.

Buyer may choose the agency or company through which any required insurance is to be obtained, so long as the agency or company is authorized to do business in South Carolina. Buyer has the option of providing the required insurance through an existing policy or a policy independently obtained and paid for by the Buyer, or applying for insurance coverage through Best Insurors, Inc.

THE REQUIRED INSURANCE COVERAGE MUST INSURE THE HOUSE TO THE EXTENT OF THE LESSER OF THE ACTUAL CASH VALUE OF THE HOUSE OR THE INDEBTEDNESS SECURED BY THE MORTGAGE.

IF FIRE AND EXTENDED COVERAGE IN THE AMOUNT OF THE CASH PRICE OF THE HOUSE IS OBTAINED THROUGH BEST INSURORS, INC. THE INITIAL ANNUAL PREMIUM IS ESTIMATED TO BE BETWEEN \$ 367.00 AND \$ 367.00 FOR THE ONE-YEAR TERM OF THE POLICY. SELLER IS UNABLE TO PROVIDE THE EXACT AMOUNT OF THE PREMIUM AT THIS TIME BECAUSE IT IS BASED ON UNIFORM RATING FACTORS WHICH ARE NOT CURRENTLY KNOWN TO US BUT WHICH ARE USED BY BEST INSURORS, INC. IN SOUTH CAROLINA IN CALCULATING THE AMOUNT OF THE PREMIUM TO BE CHARGED. Seller is unable to advise Buyer of the premium if the required insurance is not obtained through Best Insurors, Inc.

The required policies shall contain a clause making the proceeds payable to the Seller, or its assigns, to the extent of its interest in the insured property. Seller reserves the right to refuse to accept an insurer offered by Buyer if the policy is not in the form or amount acceptable to Seller.

In the event Buyer fails to furnish an acceptable policy of insurance, premiums prepaid, or in the event Buyer fails to keep in effect the required insurance coverage, Seller shall have the right, but not the obligation, to purchase such coverage for Buyer, through or from any agency or company selected by Seller, and either add the premiums to the outstanding indebtedness or demand reimbursement, immediately or at any time thereafter from Buyer for those costs. All such advancements shall bear interest from the making thereof at the rate and under the terms and conditions set forth in the mortgage executed herewith. Seller's right to purchase such insurance coverage shall continue until Buyer delivers or causes to be delivered to Seller, or its assigns, at P.O. Box 31601, Tampa, Florida 33631-3801 an insurance policy or policies providing the required insurance coverage together with satisfactory evidence of payment therefor, or until Buyer's indebtedness is fully discharged, whichever occurs first. Seller's exercise of this right with respect to any particular policy year or succession or combination of policy years shall not be deemed or considered a waiver by Seller of Buyer's continuing obligation to provide Buyer's own such coverage and Seller shall not, by exercising this right become thereafter obligated to notify Buyer of Seller's future election not to purchase further such coverage on Buyer's behalf.

Buyer must make all insurance premium payments, whether for insurance purchased through Best Insurors, Inc., or from another company, directly to the agency or company from which the insurance is obtained. NO PREMIUMS FOR INSURANCE ARE INCLUDED IN THIS CONTRACT NOR ARE ANY PREMIUMS PAID FOR THROUGH BUYER'S DOWN PAYMENT OR MONTHLY PAYMENT.

INITIAL THE BOX(ES) APPLICABLE TO THE SELECTION YOU MAKE:

☒ HLG SCG

The undersigned Buyer elects to obtain the insurance through Best Insurors, Inc.

☐

The undersigned Buyer elects to furnish the required insurance through an insurance company other than Best Insurors, Inc.

Furthermore, Buyer certifies to Seller that I understand and acknowledge the following:

- That the Contract to have Seller build a House for me and the mortgage (hereafter the "Security Instrument") I am signing with the Contract requires me to maintain continuous insurance coverage against damage or loss to my House from fire, lightning, windstorm and extended coverage in an amount at least sufficient to protect Seller's financial interest in my House until such time as I have fully paid Seller for my House.
- That I must provide proof of the required insurance coverage to Seller from the date the House is released to me/us by Seller and that all renewal policies thereafter must be provided to Seller thirty (30) days prior to the expiration of the current policy.
- That if I fail to provide such insurance coverage, I will be in default of my obligations under the Contract, which could subject me, at the option of Seller, to the remedies for breach of contract.
- That the insurance coverage required under my Contract and Security Instrument is limited to a Fire and Extended Coverage policy. This type of policy will only insure against damage done to my House itself as a result of an insurable event. It does not include protection for damage to the contents of my House or for any liability I may have as a homeowner for personal injuries to other people, both of which are coverages provided by a "Homeowners" policy.
- That Best Insurors, Inc. ("Best") offers, as disclosed in the Contract, insurance coverage that meets the requirements under the Contract and Security Instrument. Best is a Florida corporation affiliated with Seller by common ownership. Best has an established relationship with a licensed insurance agent domiciled in my state.
- That I have the right to obtain insurance coverage beyond the insurance required by the Contract and the Security Instrument that it will be in my best interest to contact an insurance agent, broker or advisor about the amount and type of policy that would be appropriate for my insurance needs; that I may contact any agent, broker or company I wish in order to obtain the insurance coverage I want at the most competitive price; that I may choose the agency, broker or company through which the required insurance is obtained, provided the agency, broker or company is authorized to do business in my state; and that I may provide the required insurance coverage either through an existing policy or a new policy that I purchase independently.

HLG SCG
Initials

MAR 28 2007

Jim Walter Homes, Inc. EXHIBIT "C" - South Carolina

- That the required insurance policy must contain a clause making the proceeds of such insurance payable to Seller, or its assigns, to the extent of Seller's financial interest in my House.
- That Seller shall have the right, at its option, either to apply such insurance proceeds to the unpaid balance of the Contract or to permit such proceeds to be used to repair any damage to my House.

I further understand and acknowledge:

- That once Seller finishes building my House, it intends to assign my Contract and Security Instrument (together, referred to as "Account") to Mid-State Homes, Inc. ("MSH"), a company affiliated with Seller by common ownership; and that MSH will either retain or further assign my Account, but in any event will service my Account, which will include verifying that I have provided the insurance coverage required by the Contract and Security Instrument.
- That everything following the first paragraph in this Insurance Disclosure Statement which refers to Seller also applies to MSH and to any other assignee of the Contract.
- That the Contract and the Security Instrument further provide that, if I fail to deliver proof of the required insurance coverage at any time during the term of the Contract, Seller has the right - but not the obligation - to purchase such insurance for its own protection at my expense; this practice is commonly known as buying collateral protection insurance or "forceplacing" insurance.
- That Seller does not wish to forceplace insurance on my House; and that it is in my own best interest, for the reasons stated below, to obtain my own insurance on my House rather than have Seller forceplace insurance:

- 1) Seller's exercise of its right to forceplace insurance with respect to any particular policy year or succession or combination of policy years does not cure my default under the Contract and Security Instrument and shall not be deemed or considered a waiver by Seller of my continuing obligation to provide my own insurance coverage, and Seller shall not, by exercising its right on one or more occasions to forceplace coverage, thereafter become obligated to notify me of its future election not to forceplace insurance coverage on my House.
- 2) Seller presently buys its forceplaced insurance coverage through Best. I hereby authorize Seller, if I fail to provide evidence to Seller that I have obtained the required insurance coverage, to forceplace coverage through Best or any other agent or agency properly licensed to conduct business in my state.
- 3) The coverage Seller purchases from Best is limited to a Fire and Extended Coverage policy. If I want a Homeowner's policy, I must purchase my own policy.
- 4) If Seller forceplaces insurance on my House, the premium will be charged to me. The premium for Fire and Extended Coverage insurance will be within the range of premiums authorized by the Department of Insurance or the Insurance Commissioner of my state. However, compelling insurance agencies or companies operating in my state may offer similar coverage, or Homeowners coverage, at a lower cost. If I want to obtain the most competitive price and/or the additional coverage offered by Homeowners Insurance, I should look for and purchase such insurance myself.
- 5) If Seller forceplaces insurance on my House because I fail to provide evidence that I have purchased the required insurance, Seller, at its option, will order a policy from Best to provide the required coverage. Best will send me the policy and an invoice for payment of the premium. I am expected to pay Best directly. If I fail to pay Best, Seller will pay Best directly. If Seller pays Best, I am required by the Contract and Security Instrument to fully reimburse Seller immediately for the cost of such insurance. Until I have fully reimbursed Seller, the outstanding amount of the advance made by Seller to pay the premium to Best will accrue interest (if permitted by my state's law) at the rate disclosed in the Contract.
- 5) The insurance coverage purchased by Seller will be solely to protect its own financial interest in my House. It will not be for my protection. Consequently, if Seller forceplaces insurance, Seller will only purchase insurance in an amount needed to pay off the unpaid balance of the Contract as of the date the insurance is purchased or such lesser amount as may be provided in the Contract. This amount will include the premium for such insurance. Most likely, if insurance is forceplaced and my House is later totally destroyed by an insurable event (such as fire), all of the insurance proceeds paid by the insurance company will be paid to Seller to satisfy my Account. I will receive little, if any, of the proceeds myself. I may lose, therefore, the equity in my House and the value of all of the contents in my House. I also may be liable for any personal injuries that may occur that would normally be covered by Homeowners insurance.

I hereby authorize Seller to use and disclose to insurance agents or companies, including Best, any and all information regarding the insurance requirements contained in my Contract and Security Instrument, the balance due under my Contract, and the value of my House and any other information reasonably necessary to obtain insurance coverage.

I hereby acknowledge reading, understanding and receiving on the date indicated below a copy of this Insurance Disclosure Statement. I acknowledge that Seller and its employees and agents have not advised me about the amount of insurance I should buy or required me to purchase insurance through any particular agent, broker or company. I further acknowledge that Seller has advised me to seek assistance about my insurance needs from a licensed insurance agent or other insurance advisor. I further understand and agree that the above requirements and procedures are consistent with the terms of the Contract and Security Instrument and that Seller and its assigns are under no obligation to purchase insurance coverage for my benefit. If I have any questions about this Insurance Disclosure Statement or any other matter relating to the Contract, I understand that I can telephone, toll-free, 1-800-925-8374 for assistance.

03/07/2007 
Date Buyer-Signature

Natasha L. Green
PRINTED NAME

03/07/2007 
Date Buyer-Signature

Shilon L. Green
PRINTED NAME

MAR 26 2007



EXHIBIT "D"
ARBITRATION AGREEMENT

The parties agree that any controversy (whether asserted as an original claim, counterclaim, cross claim or otherwise) arising out of or relating to this Agreement, or the breach thereof, or any negotiations leading up to the making of this Agreement, or any extensions of credit related to this Agreement, or the House that is the subject of this Agreement, or any insurance sold under or in connection with this Agreement, or any relationship resulting from any of the foregoing, whether asserted in tort, contract or warranty, or as a federal or state statutory claim, and whether arising before, during or after performance of this Agreement, shall be settled under this Arbitration Agreement in accordance with the procedures specified below. This Arbitration Agreement shall encompass and govern not only all controversies between Buyer and Seller, but also all controversies between Buyer and Seller and/or assigns, affiliates and present and former agents or employees of either Buyer or Seller.

The parties agree that as a condition precedent to either party instituting an arbitration proceeding and/or making a demand for arbitration pursuant to the procedures outlined herein, the party seeking arbitration will first notify the other, in writing, of the nature of the claim and/or dispute and then each party shall use their best efforts to resolve the dispute to each of their mutual satisfaction. If the parties cannot resolve the dispute by mutual agreement within fourteen (14) days of the written notice, then the parties agree to submit the dispute to non-binding mediation, the cost of which will be borne solely by Seller or its assign. The parties shall, in good faith, attempt to agree on the selection of a disinterested third party to act as mediator. In the event the parties cannot agree on the selection of a mediator, they agree to allow the Bar Association of the state in which this contract is entered into to select an individual from its approved panel of neutrals. If the Bar Association fails or refuses to select a mediator for the parties, they agree that the presiding judge of the state court of general jurisdiction sitting in the county in which the branch office of Seller that sold the House that is the subject of this Agreement is situated, may select the individual to serve as mediator.

In the event and only after the parties have been unable to resolve their disputes and/or claims through private negotiations and mediation, shall a party be entitled to institute an arbitration proceeding pursuant to the following procedures. The parties, as with the mediation process, shall, in good faith, attempt to agree on the selection of one individual to serve as the arbitrator. If the parties cannot agree on the selection of the arbitrator, then the arbitrator shall be selected in accordance with the rules of United States Arbitration and Mediation (USA&M) in effect as of June 30, 2003. Any arbitration hereunder shall be conducted pursuant to the rules of USA&M in effect as of June 30, 2003. Copies of rules may be obtained by contacting the Warranty/Customer Service Department, P.O. Box 31601, Tampa, Florida 33631-3601. USA&M is not a party to this Agreement and does not have the authority to alter, amend and/or change the procedures and/or rules set forth herein without the written consent of all parties hereto. To the extent USA&M changes and/or modifies its rules of June 30, 2003 and the parties to this Agreement do not provide their written consent to be bound by said changes and/or modifications and USA&M refuses to administer an arbitration hereunder, the parties to this Agreement agree that USA&M can be replaced with a substitute association to be selected by the presiding judge of the state court of general jurisdiction in the county in which the branch office of Seller that sold the House that is the subject of this Agreement is located. The parties to this Agreement acknowledge that the selection of USA&M and its rules and/or procedures is not an essential and/or material term of this Agreement and any issues relating thereto shall not be grounds to otherwise avoid and/or override the parties' expressed intent to arbitrate - rather than litigate - the disputes and/or claims covered by this Agreement.

Any dispute regarding whether a particular controversy is subject to arbitration, including, but not limited to claims contesting the making, existence, enforceability, scope or conscionability of this Arbitration Agreement, shall be decided by the arbitrator.

HG *SLC*
initials

JUN 26 2007



EXHIBIT "D"

The parties agree that each party may take no more than two (2) depositions without the express written approval of the arbitrator. All controversies or claims will be decided on an individual (non-class) basis, and the claims of other parties will not be consolidated with or heard along with the claims of Buyer or Seller. Notwithstanding any rule to the contrary, to the extent permitted by applicable law, the arbitrator shall not have the power or authority to award any relief on a class-wide basis. The arbitrator shall award the relief, if any, that a court of competent jurisdiction could properly award under the facts and the applicable law (including punitive damages, attorney's fees and other costs, if allowed by applicable law or by Agreement). All defenses and privileges that would be available in a court proceeding will likewise be available in the arbitration. The provisions of this Arbitration Agreement to arbitrate disputes and any award of the arbitrator may be enforced by any court of competent jurisdiction. If either party refuses to arbitrate and the other party files suit to compel arbitration the party at whose request enforcement is ordered will be entitled to an award of all costs, fees and expenses, including a reasonable attorney's fee incurred in compelling arbitration, to be paid by the party against whom enforcement is ordered. The arbitration shall be conducted in the office of the arbitrator or such other location as may be agreed upon by the parties or designated by the arbitrator. The cost of the arbitration will be divided equally among the parties to the arbitration. Except as otherwise provided in this Arbitration Agreement or by the arbitration rules selected herein, the parties will bear their own expenses and attorney's fees. Upon Buyer's written request demonstrating financial hardship or upon a finding by the arbitrator that there is financial hardship, Seller may, solely in its discretion, pay or advance all or part of the cost of the arbitration. The parties agree that this provision in no way imposes any duty upon the Seller to determine the financial ability of the Buyer.

Buyer acknowledges that Seller is a Florida corporation with its principal place of business in the State of Florida. The parties acknowledge and contemplate at the time of the execution of this Agreement that some or all of its materials, fixtures and equipment, as well as the source of financing contemplated by this Agreement, will be purchased, received or have their origin from sources outside the state where the House is to be constructed. The parties contemplate that through the performance of this Agreement substantial interstate activity will occur and is affected thereby.

Notwithstanding the foregoing, should a combined controversy otherwise subject to the terms of this Arbitration Agreement seek relief in an aggregate amount not exceeding \$1500.00, the parties shall retain the election to seek relief from a court of competent jurisdiction. The intent of this election is to limit arbitration to claims that could not reasonably and legitimately be characterized as "small claims" defined as claims involving in the aggregate less than \$1500.00 in controversy. Further, notwithstanding the foregoing, Seller and its assigns retain the option to use judicial or non-judicial relief to seek such remedies as (i) foreclosure and ejectment granted to Seller or its successors and assigns in the mortgage or under applicable law, (ii) suits to establish or quiet title to any property covered by the mortgage, and (iii) suits to establish or enforce equitable liens. The institution and maintenance of an action for judicial relief in accordance with the preceding sentence shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Agreement, including any counterclaim filed in a suit brought by Seller, or its assigns, pursuant to this provision.

This Agreement to arbitrate disputes will survive payment in full of any promissory note or other debt and satisfaction of mortgage or other security lien. The terms of this Agreement control over any inconsistent rules and/or procedures of USA&M currently in effect or hereinafter adopted.

WJB SLG
Initials



EXHIBIT "D"

NOTICE: Seller and Buyer hereby knowingly and voluntarily waive the right to trial by jury of any controversy between them that is covered by this Arbitration Agreement. Buyer acknowledges that he/she/they are waiving their right to a trial by jury that may otherwise exist by executing this Agreement.

By signing the space below, you are agreeing to have all controversies described in this Arbitration Agreement decided by binding arbitration, and you are giving up any rights you might possess to have those matters litigated by a jury trial or in a court, except to the extent specifically provided for under this Agreement. By signing in the space below you are giving up your judicial rights to discovery and appeal except to the extent that they are specifically provided for under this Agreement. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under federal or state law. By signing in the space below, you are acknowledging that your agreement to this arbitration provision is voluntary and freely given.

To the extent any provision of this Agreement is declared to be unenforceable, such provision(s) is to be severed from the other provisions hereto and said remaining provisions shall remain in full force and effect.

I/We have read and understand that foregoing, waive our right to a jury trial, and agree to submission of all controversies to binding arbitration in accordance with this Arbitration Agreement.

Seller:

Jim Walter Homes, Inc.

BY: *[Signature]*

Signature

Date: 03/07/2007

Buyer:

[Signature]

Signature

Natasha L. Green

Printed Name

03/07/2007

Date

[Signature]

Signature

Sharon L. Green

Printed Name

03/07/2007

Date

**SOUTH CAROLINA
FINANCING AGREEMENT**

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JIM WALTER HOMES, INC.

THIS AGREEMENT made this 7th day of MARCH, 2007
between Natasha L Green & Shilon L Green
hereinafter referred to as "Buyer",
whose address is 927 S. Eleventh St, McBee, SC, 29101
and JIM WALTER HOMES, Inc., a Florida corporation, having its principal office at 4211 W. Boy Scout Boulevard., Tampa,
Florida 33607 and its local place of business at 2443 West Lucas Street, Florence, SC, 29501
hereinafter referred to as "Seller."

WITNESSETH:

1. Description of Property. Seller agrees to build a house as set forth in that certain Construction Agreement, and including the plans and specifications and Exhibits "A, B, C, and D" according to the standards as set forth in the Limited Warranty (the "House"), all of which are incorporated herein by reference, on the property of Buyer, located at: 401 Union Church Road, McBee, SC and having a legal description, as provided by Buyer, as follows:

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT

ANNUAL PERCENTAGE RATE The cost of your credit at a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	AMOUNT FINANCED The amount of credit provided to you or on your behalf.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled (not including any down payment).	TOTAL SALES PRICE The total cost of your purchase on credit, including your down payment of \$0.00
11.00 %	\$ 299,490.00	\$ 123,330.00	\$ 422,820.00	\$ \$ 422,820.00

Your payment schedule will be:

NUMBER OF PAYMENTS	AMOUNT OF EACH PAYMENT	WHEN PAYMENTS ARE DUE
360	1,174.50	monthly, beginning the 5th day of the month following the 45th day after release of the House to the Buyer.

You may obtain property insurance from anyone you want that is acceptable to Creditor. If you get insurance through Best Insurors, Inc. your annual premium is estimated to be \$ 367.00 for the one year term of the policy.

Security: You are giving a security interest in real property together with all improvements now or hereafter placed on the property located at:
Street address or Rural Route: 401 Union Church Road City McBee State SC

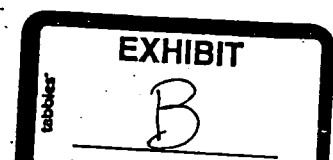
Late Charge: If a payment is late, you will be charged \$14.50 or 5% of the unpaid portion of the installment in default, whichever is less.

Prepayment: If you pay off early, you will not have to pay a penalty and you will be entitled to a refund of part of the Finance Charge.

Assumption: This indebtedness cannot be assumed.
An itemization of the amount financed is provided below.
See the remainder of this contract and the documents signed in conjunction with it for any additional information about nonpayment, default, any required payment in full before the scheduled date, and prepayment refunds and penalties.

Itemization of Amount Financed:		
Cash Price \$ 123,330.00	Less Down Payment of \$ 0.00	Amount Financed \$ 123,330.00

2. Time Price; Payment. Buyer acknowledges that Buyer has been offered the opportunity to pay for the House in full immediately upon its completion, in which case Buyer would pay a cash price of \$ 123,330.00. However, Buyer has made a down payment of \$ 0.00 and has elected and agrees to purchase said House on credit over time for a Time Price of \$ 422,820.00 which includes a Finance Charge of \$ 299,490.00 calculated at an Annual Percentage Rate of 11.00 % per annum. The Finance Charge begins to accrue thirty (30) days prior to the due date of the first scheduled installment.



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The due date of the first scheduled installment will be determined with reference to the date of Seller's completion or substantial completion of its construction obligations hereunder. Substantial completion occurs when Seller determines that it has performed its obligations as set forth in the contract with the exception of those remaining items, if any, listed on the "Tender Acknowledgment/Completion Certificate" and any work to be done by Buyer can be performed without hindering Seller's performance of such remaining items; and such remaining items will not prevent Buyer from preparing the House for occupancy. Once Seller has completed or substantially completed its construction obligations hereunder, it will "release" the House (as that term is defined in the Limited Warranty) to Buyer and notify Buyer of said release by mailing or otherwise delivering to Buyer to or at the address designated by Buyer a Completion Notice (which will contain the Payment Commencement Date). The Payment Commencement Date will be on the 5th day of the month following the 45th day after said release of the House to Buyer. If two (2) or more persons are named herein as Buyer, each Buyer agrees that execution of the Tender Acknowledgment/Completion Certificate by either of them is sufficient to bind the other(s).

Note - Weather conditions existing at the time of construction may cause Seller to delay the painting of the exterior of the House for a period of time. Furthermore, a Buyer may elect to do interior work which must be completed prior to other items being installed by Seller. This could prevent Seller from completing items for an indefinite period of time until Buyer completes Buyer's own work. The failure of Seller to have completed these items shall have no bearing on Seller's ability to release the substantially completed House to Buyer prior to such completion, nor shall it relieve Buyer from Buyer's obligation set forth in this Financing Agreement and in the promissory note and/or mortgage executed in conjunction herewith to commence Buyer's regular monthly payments.

3. Insurance. Seller requires Buyer to keep the House to be built under this contract insured against damage or loss from fire, lightning, windstorm or tornado, and extended coverage and such other coverage as Seller may reasonably require. Buyer must maintain the required insurance coverage from the date the House is released to Buyer by Seller until Buyer's obligations under this contract are fully discharged. IN CONNECTION WITH THE FOREGOING ELECTION, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE INSURANCE DISCLOSURES SET FORTH IN EXHIBIT "C" ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

4. No Oral Representations; Arbitration. This instrument and the other instruments signed in connection with this transaction (including a Limited Warranty) contain the price and all the terms and conditions agreed upon by Buyer and Seller, and no statement, representation or promise not set forth in this contract, or any of the other said instruments, has been made to induce either party to enter into this transaction. IN CONNECTION WITH THE FOREGOING, BUYER ACKNOWLEDGES HAVING READ, UNDERSTOOD AND ACCEPTED THE ARBITRATION AGREEMENT SET FORTH IN EXHIBIT "D" ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.

5. Title to the Property. Buyer warrants that Buyer owns the property described herein free and clear of all liens and encumbrances. In the event a full or complete legal description of the land upon which the House is to be built is unknown or unavailable to the parties at the time of execution hereof, Buyer agrees that the full or complete description of said land may be subsequently obtained and inserted by Seller in this document and such other documents executed in conjunction with this transaction which require a legal description and any such completion or correction of the description shall be effective as of the execution hereof.

6. Security Interest in the Property. Buyer agrees to execute and deliver to Seller a promissory note evidencing the amount of indebtedness hereunder and to execute and deliver a mortgage covering the real property described in Paragraph 1, together with all buildings (including the House to be built hereunder), structures and improvements now or hereafter located on said real property securing the payment of the indebtedness hereunder, all of the terms of which promissory note and mortgage are incorporated herein by this reference. Said promissory note and mortgage shall be on forms supplied by Seller. The mortgage shall provide that the holder may (but shall not be obligated to do so) advance moneys that should have been paid by Buyer in order to protect the lien or security of the mortgage, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security of the mortgage such as repairs, necessary improvements or attorney's fees advanced to this end and the Buyer agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in this Financing Agreement, and shall be considered as so much additional indebtedness secured thereby; but no payment by the holder of any such moneys shall be deemed a waiver of the holder's right to declare the principal sum due under the mortgage by reason of the default or violation of Buyer in any of Buyer's covenants thereunder.

7. Prepayment. Buyer may prepay in full all sums remaining unpaid under this contract at any time, and upon prepayment, Buyer shall receive a credit for all unearned charges, including a credit for the unearned Finance Charge computed pursuant to the Actuarial Method.

8. Late Fee. For each installment not paid in full within fifteen (15) days of its scheduled due date, Buyer will be charged Fourteen Dollars and fifteen cents (\$14.50) or five percent (5%) of the unpaid portion of the installment in default, whichever is less, provided that only one late charge will be charged on any installment, regardless of the period during which it remains in default.

9. Insufficient Funds Charge. If any check tendered to Seller or its assigns by Buyer hereunder is not paid upon presentation or is dishonored by the bank or depository institution upon which it is drawn, Buyer agrees to pay Seller a returned check charge of Twenty Dollars (\$20.00), which charge, if incurred by Seller shall be considered additional indebtedness secured by the mortgage.

10. Cancellation. In the event an unsatisfactory report of Buyer's credit or any other information unsatisfactory to Seller is received prior to beginning the construction of the House, Seller, at its option, may within ten (10) days thereafter, cancel this agreement upon returning to Buyer any payments or deposits. All provisions of this contract are subject to approval by an authorized representative of Jim Walter Homes, Inc.

11. Indemnification; Location of House on Property. In the event the House is constructed in a manner or at a location so as to be not entirely located upon the above-described property or the above-described property is not wholly owned by Buyer, Buyer agrees (1) to indemnify Seller for and hold Seller harmless from any and all damages, losses, judgments, expenses, costs, attorneys' fees (which attorneys are to be selected at Seller's sole discretion) and litigation expenses arising from resolving or litigating the circumstances or issues resulting from the House being located partially or wholly upon the wrong property, the payment of all of which sums shall be secured by the House and all other property made the subject of Seller's liens; (2) that the above-described property and the liens of Seller shall also include and encompass any property of Buyer, whether now owned or hereafter acquired, upon which the House is actually located together with such additional property as is reasonably necessary, including up to fifty (50) feet in any direction from the House, as well as reasonable ingress and egress thereto; and/or (3) that Seller may, at Buyer's expense, purchase property at an alternative location (Seller to make a good faith effort to select property as geographically proximate to the improper location as reasonable under the circumstances), move the House to said location, and attach the Seller's liens to the House and property at said alternative location (selected at Seller's sole discretion).

12. Assignment. Seller may assign its interest in this contract and this contract shall be binding upon and inure to the benefit of the assigns and successors of the Seller.

13. Assumption. Buyer's indebtedness hereunder may not be assumed by any subsequent purchaser of the House.

14. Attorneys' Fees. In the event the promissory note executed in conjunction with this transaction is placed in the hands of an attorney, not a salaried employee of Seller, for collection, by suit or otherwise, or to enforce their collection by foreclosure or to protect the security for their payment, the Buyer will pay all costs of collection and litigation, together with reasonable attorneys' fees not exceeding fifteen percent (15%) of the unpaid debt after default and the same shall be a lien on the premises the subject of this transaction and enforced by a sale of the property as in the mortgage and herein provided.

15. Acceleration Upon Default. In the event Buyer fails to perform any obligation in this contract, or in the Construction Agreement or in said promissory note or mortgage, the Seller may, at Seller's option, declare all sums remaining unpaid hereunder immediately due and payable. In the event of such acceleration, Buyer shall receive a credit for any unearned Finance Charge, computed pursuant to the "Actuarial Method" to the nearest scheduled payment date. Any failure to exercise said option of acceleration shall not constitute a waiver of the right to exercise the same at any other time.

16. Enforceability. Should any provision of this Financing Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions.

17. Force Majeure. Seller shall not be liable for any failure or delay in performance under this Agreement to the extent said failures or delays are proximately caused by causes beyond the Seller's reasonable control and occurring without Seller's fault or negligence, including, without limitation, (I) failure of suppliers, subcontractors, and carriers to substantially meet its performance obligations under this Agreement, and (II) acts of God, government restrictions, wars, insurrections and/or any other causes beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of nonliability, Seller shall give Buyer prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

18. Governing Law. This Financing Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

NOTICE:

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE BUYER COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE BUYER SHALL NOT EXCEED AMOUNTS PAID BY THE BUYER HEREUNDER.

NOTICE TO THE BUYER: DO NOT SIGN THIS BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. THE BUYER ACKNOWLEDGES THAT BUYER HAD THE ELECTION OF PURCHASING EITHER FOR CASH OR UPON A TIME PRICE BASIS AND HAS ELECTED TO PURCHASE ON THE TIME PRICE BASIS.

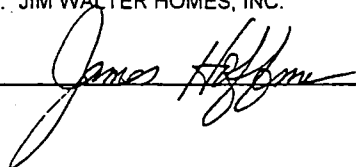
THE BUYER ACKNOWLEDGES THAT BUYER RECEIVED A COPY OF THIS AGREEMENT AND THAT BEFORE SIGNING THE SAME, THE CONTRACT CONTAINED THE ENTIRE TERMS AND ALL BLANK SPACES HAD BEEN FILLED IN PRIOR TO THE SIGNING OF THE SAME.

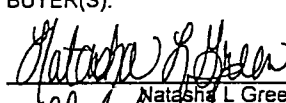
IN WITNESS WHEREOF, the Buyer(s) and Seller have executed this contract on the day and year first above written.

SELLER: JIM WALTER HOMES, INC.

BUYER(S):

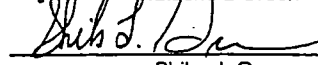
BY: _____





Natasha L. Green

(SEAL)



Shilon L. Green

(SEAL)

001754

000960

FILED
CLERK OF COURT

07 APR 16 A 10 09.9

CHESTERFIELD COUNTY, SC
BOOK 419 PAGE 760-962

Mortgage -- South Carolina -- Jim Walter Homes, Inc.

20023569
FlorenceSTATE OF SOUTH CAROLINA
COUNTY OF CHESTERFIELD

WHEREAS, Natasha L Green & Shilon L Green, Husband & Wife
whose residential address is 927 S. Eleventh St., McBee, SC, 29101
hereinafter called the Mortgagor, are well and truly indebted to JIM WALTER HOMES, INC., whose principal place of business is
4211 W. Boy Scout Blvd, Tampa, Florida 33607, hereinafter called the Mortgagee, in the full and just sum of
Four Hundred Twenty-two Thousand Eight Hundred Twenty and Xx / 100 Dollars, (\$ 422,820.00),
evidenced by a certain promissory note in writing of even date herewith, which note is made a part hereof and herein incorporated by
reference, payable in 360 monthly installments of One Thousand One Hundred Seventy-four and 50 / 100
Dollars (\$ 1,174.50) each, the first installment to become due and payable on the "Payment Commencement Date"
as set forth in the Completion Notice to be mailed or delivered by Jim Walter Homes, Inc., to the undersigned upon "release" (as that
term is defined in the Limited Warranty) of the House by Jim Walter Homes, Inc., and one installment to become due on the same day
of each succeeding month until payment in full. If not sooner paid, the entire outstanding indebtedness shall be due and payable 360
months from the Payment Commencement Date, which in any event shall be on or before the 5th day of September, 2037.

NOW, KNOW ALL MEN, That the said Mortgagor, in consideration of the said debt and sum of money aforesaid, and for better
securing the payment thereof, according to the terms and tenor of said note, and also in consideration of THREE (\$3.00) DOLLARS to
them in hand well and truly paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged,
have granted, bargained, sold and released, and by these presents do grant, bargain, sell and release unto the said Mortgagee, all that
tract or lot of land lying, being and situated in Chesterfield County, State of South Carolina and
described as follows, to-wit:

RETURN TO CREDIT TITLE
JIM WALTER HOMES, INC.
P.O. BOX 31601
TAMPA, FLORIDA 33631-3601

This instrument prepared by:
Jeanetta Brown
Attorney at Law
P.O. Box 31601
Tampa, Fla. 33631-3601

PLEASE SEE LEGAL DESCRIPTION ATTACHED.

TOGETHER WITH all and singular the ways, easements, riparian and other rights, and all tenements, hereditaments and
appurtenances, thereunto belonging or in anywise appertaining, and all buildings, structures and other improvements now on said land
or that hereafter may be erected or placed thereon, and all fixtures attached thereto and all rents, income, issues and profits accruing
and to accrue therefrom.

TO HAVE AND TO HOLD the above described property unto Mortgagee, its successors and assigns forever.

Mortgagor hereby covenants with Mortgagee that Mortgagor is indefeasibly seized with the absolute and fee simple title to said
property; that Mortgagor has full power and lawful authority to sell, convey, assign, transfer and mortgage the same; that it shall be
lawful for Mortgagee at any time hereafter peaceably and quietly to enter upon, have, hold and enjoy said property and every part
thereof; that said property is free and discharged from all liens, encumbrances and claims of every kind, including all taxes and
assessments; that Mortgagor will, at Mortgagor's own expense, make such other and further instruments and assurances to vest
absolute and fee simple title to said property in Mortgagee that may be requested by Mortgagee, and that Mortgagor will, and his heirs,
legal representatives and successors shall, warrant and defend the title to said property unto Mortgagee against the lawful claims and
demands of all persons whomsoever.

PROVIDED ALWAYS, and these presents are upon these express conditions, that if the said Mortgagor shall promptly, well and
truly pay to the Mortgagee the said debt or sum of money aforesaid, according to the true intent and tenor of said note, and until full
payment thereof, or any extensions or renewals thereof in whole or in part, the payment of all other indebtedness or liability that may
become due and owing hereunder and secured hereby, shall faithfully and promptly comply with and perform each and every other
covenant and provision herein on the part of the Mortgagor to be complied with and performed, then this deed of bargain and sale shall
cease, determine, and be utterly void; otherwise to remain in full force and virtue.

SLB SLG
Initials

000961

And Mortgagor hereby covenants follows:

To keep the buildings, structures and other improvements now or hereafter erected or placed on the premises insured in an amount not less than the replacement cost of the house or the indebtedness secured by this Mortgage against all loss or damage by fire, windstorm, tornado and extended coverage as may be required by the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear; to deposit with the Mortgagee policies with standard mortgagee clause, without contribution, evidencing such insurance; to keep said premises and all improvements thereon in first class condition and repair. In case of loss, Mortgagee is hereby authorized to adjust and settle any claim under any such policy and Mortgagee is authorized to collect and receipt for any such insurance money and to apply the same, at Mortgagee's option, in reduction of the indebtedness hereby secured, whether due or not, or to allow Mortgagor to use such insurance money, or any part thereof, in repairing the damage or restoring the improvements or other property without affecting the lien hereof for the full amount secured hereby.

In the event said premises are condemned, the proceeds of any condemnation award shall be paid to and are assigned to Mortgagee.

It is further covenanted that the Mortgagee may (but shall not be obligated to do so) advance moneys that should have been paid by Mortgagor hereunder in order to protect the lien or security hereof, including but not limited to charges for taxes, insurance, public assessments or official fees, and all expenses whatsoever reasonably incurred in order to preserve and protect the security hereunder such as repairs, necessary improvements or attorney's fees advanced to this end and Mortgagor agrees on written demand to forthwith repay such money, which amount shall bear interest from the date so advanced until paid at the Annual Percentage Rate set forth in the Financing Agreement of even date herewith between Jim Walter Homes, Inc. and the Mortgagor, and shall be considered as so much additional indebtedness secured hereby; but no payment by Mortgagee of any such moneys shall be deemed a waiver of Mortgagee's right to declare the principal sum due hereunder by reason of the default or violation of Mortgagor in any of Mortgagor's covenants hereunder.

Mortgagor further covenants that granting any extension or extensions of the time payment of any part or all of the total indebtedness or liability secured hereby, or taking other or additional security for payment thereof, shall not affect this mortgage or the rights of Mortgagee hereunder, or operate as a release from any liability upon any part of the indebtedness hereby secured, under Mortgagor's covenant herein contained.

If any check tendered to Mortgagee or its assigns by Mortgagor hereunder is not paid upon presentation or is dishonored by the bank or depository institution upon which it is drawn, Mortgagor agrees to pay Mortgagee a returned check charge of \$20.00, which charge, if incurred by the undersigned, shall be considered additional indebtedness secured hereunder.

It is further covenanted and made of the essence hereof that in case of default for thirty days in the performance of any of the covenants herein on the part of the Mortgagor, then it shall be optional with Mortgagee to consider all unmatured indebtedness or liability secured hereby, and accrued interest thereon, as immediately due and payable, and Mortgagee shall have the right forthwith to institute proceedings to enforce the collection of all moneys secured hereby or to foreclose the lien hereof.

It is further stipulated and agreed by and between the parties that the Mortgagee shall have the right to exercise any option or privilege herein given or reserved and to enforce any duty of the Mortgagor at any time without further or other notice regardless of any prior waiver by Mortgagee or default of Mortgagor or delay by Mortgagee in exercising any right, option, or privilege or enforcing such duty of Mortgagor, and no waiver by Mortgagor, and no waiver by Mortgagee of default of Mortgagor nor delay of Mortgagee in exercising any right, privilege or option or in enforcing any duty of Mortgagor shall be deemed, held, or construed to be a waiver of any of the terms or provisions of this mortgage or of any subsequent default.

The Mortgagor waives all right to homestead exemption in said property. If any action or proceeding is commenced which materially affects the Mortgagee's interest in the property, including but not limited to, eminent domain, insolvency, code enforcements, bankruptcies, an action by a junior lienholder, or any other similar actions or proceedings, then the Mortgagee at its own option upon notice to the Mortgagor may make such appearances, disburse such sums and take such action as is necessary to protect the Mortgagee's interest and Mortgagor agrees to pay all costs including but not limited to, disbursement of reasonable attorney's fees not exceeding fifteen percent (15%) of the unpaid debt and the costs of the action.

IN WITNESS WHEREOF, we have hereunto set our hand and seal this 7th day of MARCH, A.D. 2007.

Signed, Sealed and Delivered in the presence of

James Hoffman
1st Subscribing Witness

Debbie J. Hoffman
2nd Subscribing Witness

Natasha L. Green (SEAL)
Shilon L. Green (SEAL)

Shilon L. Green (SEAL)

Shilon L. Green (SEAL)

STATE OF SOUTH CAROLINA

COUNTY OF Darlington

I, Debbie J. Hoffman, Notary Public for the State of South Carolina, do hereby certify that Natasha L. Green and Shilon L. Green,
(name of Mortgagors)

personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal this 7th day of MARCH, 2007.

Debbie J. Hoffman (SEAL)
Commission Expires: March 18, 2015

"EXHIBIT "1"

000962

LEGAL DESCRIPTION

All that certain piece, parcel, or lot of land, with the improvements thereon, situate, located, lying, and being in the County of Chesterfield, State of South Carolina, the same being shown and delineated as Lot 1, containing (0.50) acres, more or less upon that certain Plat of Southside II Subdivision prepared by Al Johnson dated June 22, 1993, recorded in the Office of The Clerk of Court for Chesterfield County in Plat Book 41 at Page 52, which Plat is incorporated herein by reference, and having such boundaries and measurements as shown thereon, more or less; and being bounded Northeast by S 13-31; South by SWEENEY DRIVE; West by Lot 2, Property N/F Ben L. Norwood; North by Lot 10

TMS NO: 099-008-002-001

This being property conveyed to Shilon L. Green and Natasha L. Green by deed of Clifton Dewitt dated 3/19/07 and recorded 4/16/07 in the office of the clerk of Court for Chesterfield County in Deed Book 435 at Page 459.

03/07/2007 JW_CAMBRIDGE
360.00 South Atlantic Division
Florence, SC
Natasha L. Green

S/O# _____
Q# 20023569

2010904300

Natasha L. Green

SOUTH CAROLINA
ASSIGNMENT OF MORTGAGE INTEREST

THIS ASSIGNMENT OF MORTGAGE INTEREST dated January 8, 2008, from Jim Walter Homes, Inc. ("Assignor"), a Florida corporation having an address of P. O. Box 31601, Tampa, Florida 33631-3601, to Walter Mortgage Company, a Delaware corporation, with an address of 6331 Grapevine Highway, Suite 280, North Richland, Texas 76180 ("Assignee").

WITNESSETH:

FOR VALUE RECEIVED, Assignor does hereby sell, assign, transfer and set over unto Assignee, its successors and assigns, that certain mortgage, together with the debts thereby secured, the notes therein described, and all interest of the undersigned in and to the lands and property conveyed by said mortgage without recourse; said mortgage appears of record at Book 419, Page 960, in the Public Records of Chesterfield County, South Carolina.

Mortgagors: Natasha L Green & Shilon L Green, Husband & Wife.

TO HAVE AND HOLD unto the said Assignee, its successors and assigns, FOREVER.

EXECUTED the day and year first above written.

Signed, sealed and delivered in the presence of:

JIM WALTER HOMES, INC.

Ashley L. Carlton
Name: Ashley L. Carlton

By:

C.T. Witherington
Name: C.T. Witherington
Title: Vice President

Sophia Spoto Metosh
Name: Sophia Spoto Metosh

ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

Personally appeared Ashley L. Carlton, and made oath that (s)he saw the within named C.T. Witherington, who acknowledged himself/herself to be Vice President of Jim Walter Homes, Inc., a Florida corporation, sign, seal and as his/her act as such Vice President, being authorized to do so, delivered the within written instrument for the use and purposes therein mentioned by signing the name of the corporation by himself/herself as Vice President, and that (s)he, with Sophia Spoto Metosh, in the presence of each other witnessed the due execution thereof.

Sworn to before me this 8th day of January, 2008.

Beth Upton
NOTARY PUBLIC

Print Name: Beth Upton

My Commission Expires:



BETH UPTON

MY COMMISSION # DD 482567
EXPIRES: October 17, 2009
Bonded thru Budget Notary Services

Ashley L. Carlton
Witness: Ashley L. Carlton

THIS INSTRUMENT PREPARED BY:
Jeffrey P. Thofner, Attorney at Law
P. O. Box 31601
Tampa, FL 33631-3601
TEP-T-52.VIII (Rev. 6/01)

AFTER RECORDING RETURN TO:
Jim Walter Homes, Inc.
P. O. Box 31601
Tampa, FL 33631-3601
Attn: C. T. Witherington

Jun. 29. 2007 11PM

JIM WALTER HOMES CHARLOTTE DIV

Ana. 7615 IP. 2/3

#20109043

TENDER ACKNOWLEDGMENT/COMPLETION CERTIFICATE

BANK ONE

STREET C 1110-N

HOMEBUYER NAME(S)	LAST	FIRST	DOB	INITIAL
	GREEN	Natasha	232938	Florence

WALK THROUGH HOME WITH HOMEBUYER(S) AND DISCUSS ALL NUMBERED ITEMS BELOW.

Have homebuyer(s) initial each applicable numbered item as it is discussed.

- (1) Explain the importance of proper ventilation in the attic and under house if customer underpins.
- (2) Explain necessary inspections including certificates of occupancy, as applicable.
- (3) Explain importance of ensuring water drains from underneath the home and away from the home.
- (4) Explain normal settling, wallboard cracks, etc. (Refer to Warranty)
- (5) Explain G.F.I., A.F.I.
- (6) Advise not to turn on breaker to water heater until full of water.
- (7) Explain floor preparation to accept vinyl.
- (8) Explain how to remove window sash and how to adjust patio door.
- (9) Explain changing filter for furnace and HVAC.
- (10) Advise not to paint wallboard with high gloss or semi gloss paint.
- (11) Advise customer how to install hurricane panels/shutters and all supplies provided as sold.
- (12) Explain warranty, including how to file a warranty claim.

CL TENDER 676
JUL 02 2007
SAP
FCS
HBC/WARRANTY/CONST

383737

This is to advise that the home I contracted to have the Builder build for me has either been fully-completed or is substantially complete and is built according to my contract. By signing this document, I hereby acknowledge that I have thoroughly inspected the home; that there is no further work to be done nor any materials or fixtures to be supplied by the Builder unless noted in the spaces below, and I accept release of the home to me. I understand and acknowledge that as of this date I assume full possession, control of, responsibility for, and the insurable interest in the building site, home and constructed home. I understand that if I am purchasing this home from the Builder as an installment purchase basis, my obligation to make my monthly home payments will now begin and that my first payment will become due and payable on the 5th day of the month following at least 25 days from today's date which is written below, or as otherwise may be indicated in my contract with the Builder. In the alternative, if I am financing this home with Walter Mortgage Company or another lender, my first payment will be due in accordance with the terms of the loan agreement.

INSURANCE INFORMATION - HAVE HOMEBUYER INITIAL BY APPROPRIATE STATEMENT.

- ☒ BEST Insurers, Inc. Chosen ☐ Cash Sale (not required)
- ☐ Outside Policy Chosen and Provided
- ☐ Outside Policy Chosen but NOT YET Provided
(Must be mailed to Insurance Tracking Dept., P.O. Box 30487, Tampa, FL 33630-3487 within 15 days of today's date.) Policy must be effective the date of this Tender.

COMPLETE AND HAVE HOMEBUYER VERIFY:

New Property Address (include county) 401 Union Church Rd New Mailing Address (if different from property address) _____
MCBex SC 29101
 New Phone 843-335-5724 Alternate Phone _____
 (Work, Cell or Relative)

I, the Homebuyer, further understand that my signing this document does not relieve the Builder from fulfilling its contractual obligations as evidenced by the "Warranty" below, if any.
 Further, I do not sign this unless exceptions are clearly detailed below. Failure to do so could delay or completion of such items.
 Further, I hereby acknowledge that I have read this document in its entirety and that I am signing this document voluntarily because I am in agreement with the statements made in it this 29th day of June, 2007.

Accepted by: [Signature] HBC Representative's Signature [Signature] Homebuyer's Signature
[Signature] Homebuyer's Signature

Exceptions: _____

Approved By

Div. Const. Manager (If Applicable)

Project Manager (If Applicable)

Division President (Required)

COMPLETION OF EXCEPTIONS

Signatures required upon completion of exceptions listed above only.

This is to advise that the exceptions made above, if any, have now been addressed to my satisfaction as of this _____ day of _____, 2007.

Acknowledged by: [Signature] HBC Representative's Signature [Signature] Homebuyer's Signature [Signature] Homebuyer's Signature

HBC-6615 (Rev. 3/01)

TAMPA WARRANTY CUSTOMER SERVICE

EXHIBIT

D

tabbles

STATE OF SOUTH CAROLINA)
COUNTY OF CHESTERFIELD)

IN THE COURT OF COMMON PLEAS

Walter Mortgage Company,)
Plaintiff,)

Case No. 08-CP-13-25

vs.)

Natasha L. Green and Shilon L.)
Green,)
Defendants.)

ARBITRATION AWARD

Natasha L. Green and Shilon L.)
Green,)
Third-Party Plaintiffs,)

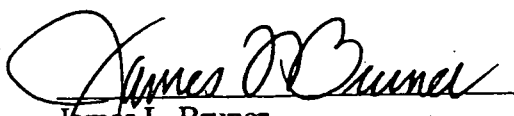
vs.)

Jim Walter Homes, Inc.,)
Third-Party Defendant.)

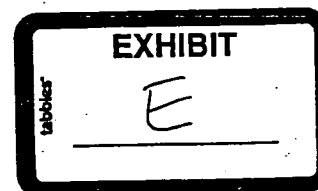
The undersigned James L. Bruner, the duly appointed arbitrator in the above-captioned action, having received the evidence presented by the parties and considered the argument of counsel for each party, hereby makes the following award with respect to all issues framed by the third-party pleadings and in accordance with the South Carolina Uniform Arbitration Act:

The Third-Party Defendant shall pay to the Third-Party Plaintiffs the sum of \$4,300.00.

This award is in full satisfaction of all claims and issues framed by the third-party pleadings in the above-referenced case. The claims and issues framed by the first-party pleadings are not within the scope of the parties' arbitration agreement and are not considered or decided herein. Each party shall bear his own attorneys' fees and costs.


James L. Bruner
Arbitrator

December 3, 2008
Columbia, SC



STATE OF SOUTH CAROLINA)

IN THE COURT OF COMMON PLEAS

COUNTY OF CHESTERFIELD)

Walter Mortgage Company.)

C/A#: 08-CP-13-25

Plaintiff)

-vs-)

AFFIDAVIT OF SHILON L. GREEN

Natasha L. Green and Shilon L. Green.)

Defendants &
Third Party Plaintiff)

-vs-)

Jim Walter Homes, Inc.,)

Third Party Defendant)

2009 APR 20 AM 9 13

FILED
CLERK OF COURTA True Copy Attest
Jaye O. Sellers
CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

PERSONALLY APPEARED before me, Shilon L. Green, who first being duly sworn, deposes and says: I am over 18 years of age and qualified to give an affidavit:

I did not pay the mortgage company in this matter because my house was never finished. The builder breached its contract with me, and I do not even have a Certificate of Occupancy allowing me to move into my home. As soon as the builder fixes my home or pays me the money that I won from them in arbitration for their breach on contract to me so that I can fix my home, I will be glad to begin paying my mortgage payment. I do not believe it is fair for me to have to pay a mortgage payment on a home that I cannot live in.

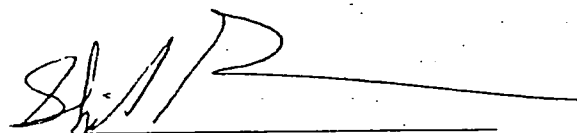
I do not believe it is fair for Jim Walters Mortgage Company to have any more of a claim against me than the builder had, since they were all doing this together.

When I started doing business with Jim Walter Construction Company, I was told that Jim Walters did not use attorneys, and I could not have an attorney to help me during this deal.

I do not remember ever seeing a HUD-1 Settlement Statement.

I only signed the acceptance documents for this house, because I was promised the house would be finished and complete up to the specifications agreed to. This was never done.

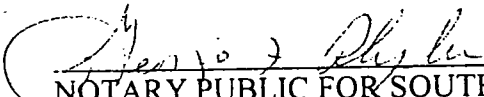
FURTHER AFFIANT SAYETH NOT.



Shilon L. Green

SWORN TO AND SUBSCRIBED

before me this 14th day of April, 2009



(L.S.)

NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: May 18th 2015

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHESTERFIELD)

IN THE COURT OF COMMON PLEAS

Walter Mortgage Company,)

C/A#: 08-CP-13-25

Plaintiff)

-vs-)

CERTIFICATE OF SERVICE

Natasha L. Green and Shilon L. Green,)

Defendants &
 Third Party Plaintiff)

-vs-)

Jim Walter Homes, Inc.,)

Third Party Defendant)

A True Copy Attest
Joyce J. Sellers
 CLERK OF COURT C.P. & G.S.
 CHESTERFIELD COUNTY, SC

FILED
 CLERK OF COURT
 2009 APR 20 AM 9 13

I, JoAnn W. Pigate, assistant to Barry L. Thompson, II with Moore, Taylor & Thomas, P.A., attorney for the Defendants in the above-captioned matter, hereby certify that I have served counsel of record with the **Affidavit of Shilon L. Green** by mailing a copy of same by United States Mail, postage prepaid and return address clearly indicated on said envelope, to counsel at the following address:

Counsel Served: J. Kershaw Spong, Esquire
 Robinson McFadden
 PO Box 944
 Columbia, SC 29202

JoAnn W. Pigate
 JoAnn W. Pigate

West Columbia, South Carolina
 April 17, 2009.

The State of South Carolina
In the Court of Appeals

RECEIVED
AUG 18 2009
SC Court of Appeals

APPEAL FROM CHESTERFIELD COUNTY
Court of Common Pleas

William O. Spencer, Jr., Special Referee

Case No. 2008-CP-13-25

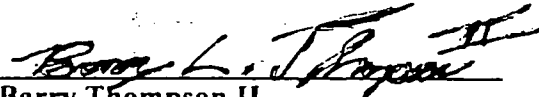
Natasha L. Green and Shilon L. Green Appellants,

v.

Walter Mortgage Company, ... Respondent.

NOTICE OF APPEAL

Natasha L. Green and Shilon L. Green, appeal the Order of the Honorable William O. Spencer, Jr., Special Referee dated July 20, 2009. Appellants received a copy of this Order on July 30, 2009.

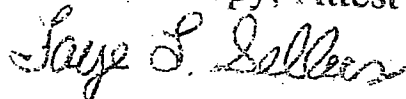


Barry Thompson II
Moore, Taylor & Thomas, P.A.
P.O. Box 5709
1700 Sunset, Blvd.
W. Columbia, S.C. 29171

Other Counsel of Record:
J. Kershaw Spong
PO Box 944
Columbia, SC 29202

2009 AUG 21 AM 10 11
FAYE L. SELLERS
CLERK OF COURT
CHESTERFIELD COUNTY, S.C.

A True Copy, Attest



CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

The State of South Carolina
In the Court of Appeals

RECEIVED
AUG 18 2009
SC Court of Appeals

APPEAL FROM CHESTERFIELD COUNTY
Court of Common Pleas

William O. Spencer, Jr., Special Referee

Case No. 2008-CP-13-25

Natasha L. Green and Shilon L. Green Appellants,

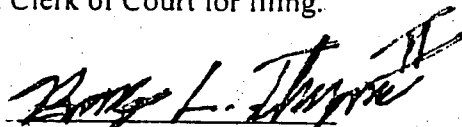
v.

Walter Mortgage Company, ... Respondent.

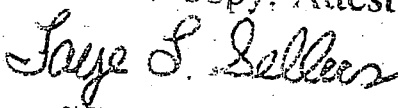
PROOF OF SERVICE

I certify that I have served the Notice of Appeal on The Honorable William O. Spencer by depositing a copy of it in the United States Mail, postage prepaid, on August 18, 2009, addressed to P.O. Box 190, Chesterfield, SC 29709. I further certify that I have served the Notice of Appeal on the Respondent, through its attorney, by depositing a copy of it in the United States Mail, postage prepaid, on August 18, 2009, addressed to J. Kershaw Spong, PO Box 944, Columbia, SC 29202. A copy of the Notice of Appeal was forwarded to the County of Chesterfield Clerk of Court for filing.

August 18, 2009


Barry L. Thompson, II
MOORE, TAYLOR & THOMAS, P.A.
P. O. Box 5709
West Columbia, SC 29171
(803) 796-9160
Attorney for Applicant

A True Copy, Attest



CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

2009 AUG 21 AM 10 11
FAYE L. SELLERS
CLERK OF COURT
CHESTERFIELD COUNTY, S.C.

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

) IN THE COURT OF COMMON PLEAS

) Case No.: 08-CP-13-25

Walter Mortgage Company,

Plaintiff,

v.

Natasha L. Green and Shilon L.
Green,Defendants and
Third Party Plaintiff

v.

Jim Walter Homes, Inc.,

Third Party Defendant.

) SPECIAL REFEREE'S ORDER AND
) JUDGMENT OF FORECLOSURE
) AND SALE

) (Deficiency Judgment Waived)

) Notice: The original of this document
) was filed in the Office of the Clerk of
) Court for Chesterfield County on July
) 2, 2009, and copies forwarded to the
) following on the same date:) TO: J. Kershaw Spong, Esquire
) Barry L. Thompson, II, Esquire

A True Copy Attest

*Erin J. [Signature]*CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SCFILED
CLERK OF COURT

2009 JUL 23 AM 9 24

Pursuant to the Order of The Honorable Paul M. Burch, South Carolina Circuit Court Judge, dated March 18, 2009, the above-entitled matter was referred to the undersigned to make appropriate findings of facts and conclusions of law with authority to enter a final judgment in the cause.

Pursuant to the said Order of Reference a hearing was held on Plaintiff's Motion for Summary Judgment, attended by the attorneys of record, and from the affidavits, pleadings, exhibits and evidence, I find there is no material issue of disputed fact and Plaintiff is entitled to the relief requested as a matter of law for the following reasons:

UNDISPUTED FACTS:

- 1 The Lis Pendens was filed on January 23, 2008.

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#1

2. The Summons and Complaint were filed on January 23, 2008.

3. Service was made upon the Defendants named in this Order as is shown by the proofs of service previously filed with the court.

4. The Defendants Natasha L. Green and Shilon L. Green appeared in this action by and through their attorney, Barry L. Thompson, and filed an Answer and Third Party Complaint to Plaintiff's Complaint on February 27, 2008. The Third Party claims against Jim Walter Homes, Inc. were submitted to binding arbitration on December 3, 2008. The arbitrator issued the following award:

The undersigned James L. Bruner, the duly appointed arbitrator in the above-captioned action, having received the evidence presented by the parties and considered the argument of counsel for each party, hereby makes the following award with respect to all issues framed by the third-party pleadings and in accordance with the South Carolina Uniform Arbitration Act:

The Third-Party Defendant shall pay to the Third-Party Plaintiffs the sum of \$4,300.00.

This award is in full satisfaction of all claims and issues framed by the third-party pleadings in the above-referenced case. The claims and issues framed by the first-party pleadings are not within the scope of the parties' arbitration agreement and are not considered or decided herein. Each party shall bear his own attorneys' fees and costs.

Accordingly, the Third-Party claims have been fully and finally adjudicated. The remaining case consists of the Plaintiff's first-party pleading for foreclosure and Defendants' defenses thereto.

5. The Defendants Natasha L. Green and Shilon L. Green entered into a Construction Agreement whereby Jim Walter Homes, Inc. agreed to build a house for Defendants on credit. Also, for value received, Natasha L. Green and Shilon L. Green made, executed and delivered a Financing Agreement dated March 7, 2007.

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#2-

promising thereby to pay to the order of Jim Walter Homes, Inc. the sum of One Hundred Twenty-Three Thousand Three Hundred Thirty-Three and no/100 Dollars (\$123,333.00), plus a finance charge at the rate of 11.0% per annum. Other terms and conditions are stated in the **Financing Agreement**, which is of record herein.

6. To better secure the payment of the **Financing Agreement** described above the said **Defendants Natasha L. Green and Shilon L. Green** made, executed and delivered to Jim Walter Homes, Inc. a mortgage in writing, dated **March 7, 2007**, covering real property in **Chesterfield County**, which is the same as that described in the Complaint. The mortgage was filed on **April 16, 2007**, and is of record in the Office of the Clerk of Court for **Chesterfield County** in **Book 419, at page 960**.

7. Thereafter, by assignment dated **January 8, 2008** and recorded in said Clerk of Court's Office on **January 23, 2008** in **Book 428, at page 861**, for value received, **Jim Walter Homes, Inc.** assigned said **Financing Agreement** and mortgage unto Plaintiff, and by virtue of such assignment the Plaintiff herein is now the owner and holder of the **Financing Agreement** and mortgage which are the subject of this action.

8. This mortgage constitutes a **first mortgage** lien on the subject property.

9. Payment due on the **Financing Agreement** has not been made as provided for in the **Financing Agreement**, and the Plaintiff, as the holder thereof, has elected to require immediate payment of the entire amount due thereon and has placed the **Financing Agreement** and mortgage in the hands of an attorney herein for collection.

10. This Court further finds that the subject **Financing Agreement** and mortgage is not subject to the Home Affordable Modification Program (HMP) or the

WCS-
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United States Treasury Supplemental Directive 09-01. The Court finds the stay arising out of Ex-Parte Temporary Restraining Order issued by the Supreme Court of South Carolina on May 4, 2009, and replaced by Order dated May 22, 2009, does not apply.

11. The sum of **\$5,500.00** is a reasonable fee to allow as attorney's fees for Plaintiff's attorney for services performed and anticipated to be performed until final adjudication of the within action, under the terms of the **Financing Agreement and mortgage**.

12. The amount due and owing on the **Financing Agreement**, with interest at the rate provided in the **Financing Agreement**, and other costs and expenses of collection, including an attorney's fee, secured by the **Financing Agreement and mortgage** is as follows:

(a)	Principal due October 5, 2007		\$	123,330.00
(b)	Interest from September 5, 2007 to August 5, 2009 at (11.0%) per annum		\$	26,002.19
(c)	Escrow adjustments (debits or credits) (Insurance: \$1,430.00; Insurance interest: \$7.74)		\$	1,437.74
(d)	Costs of collection prior to hearing (service, filing, etc.)		\$	1,602.35
(e)	Taxes, insurance, etc. not included above		\$	0.00
(f)	Attorney's fee		\$	5,500.00
TOTAL DEBT secured by financing agreement and mortgage including interest to date shown			\$	157,872.28

Interest for the period from the date shown in (b), above through the date of this judgment at above stated rate to be added to the above stated "total debt" to comprise the amount of the judgment debt entered herein and interest after the date of judgment at the rate of 11.0% per annum (pursuant to the terms of the **Financing Agreement**

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and mortgage) on the judgment debt should be added to such judgment debt to comprise the amount of Plaintiff's debt secured by mortgage through the date to which such interest is computed.

13. The Plaintiff is seeking the usual foreclosure of the mortgage and has in the Complaint, or by amendment thereto, or by motion at the reference, expressly waived the right to a personal or deficiency judgment.

CONCLUSIONS OF LAW

I, therefore, conclude as follows:

1. The Plaintiff should have judgment of foreclosure of the mortgage.
2. The mortgaged property should be ordered sold at public auction after due advertisement. The sale shall be made subject to taxes and assessments that are due on the day of such sale.

That after making the required deposit the successful bidder at the sale shall be required to pay interest at the rate set forth in the obligation described in the Complaint from date of sale to the date of compliance.

3. The proceeds arising from such sale should be applied, first, to the costs and disbursements of this action, and next, to the payment and discharge of the amount of Plaintiff's debt and interest or so much thereof as the proceeds will pay, and any surplus should be held pending further order of the Court.

Now, on motion of Plaintiff's attorneys, J. Kershaw Spong,

IT IS ORDERED, ADJUDGED AND DECREED:

1. That there is due to the Plaintiff on the obligation and mortgage set forth in the Complaint the sum of \$157,872.28, representing the "Total Debt" due

Plaintiff as set out in Paragraph 12, supra, together with interest at the rate provided in said obligation on the balance of principal from the aforesaid date to the date hereof.

2. The amount due in the preceding paragraph (the "Total Debt" as set forth in paragraph 12, supra, and later accrued interest on the principal) shall constitute the total judgment debt due the Plaintiff and shall bear interest hereafter at the rate of 11.0% per annum.

3. That the Defendants liable for the aforesaid mortgage debt do, on or before the date of sale of the property hereinafter described, pay to the Plaintiff's attorneys, the amount of Plaintiff's debt as aforesaid, together with the costs and disbursements of this action.

4. That on default of payment at or before the time herein indicated, the mortgaged premises described in the Complaint, as hereinafter set forth, be sold by the undersigned Special Referee, at public auction, at the **Chesterfield** County Courthouse, in the City of **Chesterfield**, County of **Chesterfield** and state aforesaid, on some convenient Salesday hereafter (and should the regular day of judicial sales fall on a legal holiday, then and in such event, the Salesday shall be on Tuesday next succeeding such holiday), on the following terms, that is to say:

a. FOR CASH: the undersigned Special Referee will require a deposit of 5% of the amount of the bid (in cash or equivalent), same to be applied on the purchase price only upon compliance with the bid, but in case of non-compliance within Thirty (30) days same to be forfeited and applied to the costs and Plaintiff's debt.

b. Interest on the balance of the bid shall be paid through the day of compliance at the rate of 11.0%.

W.C. J.
H.C.

c. The sale shall be subject to taxes and assessments due on the day of such sale, existing easements and easements and restrictions of record.

d. Purchaser to pay for the preparation of the deed, deed stamps and costs of recording the deed.

5. If Plaintiff be the successful bidder at said sale, for a sum not exceeding the amount of costs, expenses and the indebtedness of Plaintiff in full, Plaintiff may pay to the undersigned Special Referee only the amount of the costs and expenses, crediting the balance of the bid on Plaintiff's indebtedness.

6. No personal or deficiency judgment being demanded, the bidding will not remain open after the date of sale, but compliance with the bid may be made immediately.

7. The undersigned Special Referee will, by advertisement according to law, give notice of the time and place of such sale, and the terms thereof; and will execute to the purchaser, or purchasers, a deed to the premises sold. The Plaintiff, or any other party to this action, may become a purchaser at such sale, and if, upon such sale being made, the purchaser, or purchasers, should fail to comply with the terms thereof within Thirty (30) days after date of sale, then the undersigned Special Referee may advertise the said premises for sale on the next or some other subsequent Salesday, at the risk of the former highest bidder, and so from time to time thereafter until a full compliance shall be secured. In the event the Plaintiff is the successful bidder, at its option, or the option of the assignee, the deed may be taken subject to payment by grantee of any taxes or assessments constituting a lien against the property sold under this Order and hereinafter more fully described.

W. J. # 7

8. The undersigned Special Referee to apply the proceeds of the sale as follows:

First: to payment of the amount of the costs and expenses of this action, including any Guardian ad Litem fee or fees of attorneys appointed under Order of Court.

Next: to the payment to the Plaintiff or Plaintiff's attorneys, of the amount of Plaintiff's debt and interest, or so much thereof as the purchase money will pay on the same.

9. Any surplus should be held pending further Order of this Court.

10. It is further ORDERED, ADJUDGED AND DECREED that in the event the successful bidder is other than the Defendants in possession herein, the Sheriff of Chesterfield County is ordered and directed to eject and remove from the premises the occupants of the property sold, together with all personal property located thereon, and put the successful bidder or his or its assigns in full, quiet and peaceable possession of said premises without delay, and to keep said successful bidder or his or its assigns in such peaceable possession.

11. And it is further ORDERED, ADJUDGED AND DECREED that each Defendant named herein and all persons whosoever claiming under him, them or it, be forever barred and foreclosed of all right, title, interest, and equity of redemption in the said mortgaged premises so sold, or any part thereof.

12. IT IS FURTHER ORDERED that the deed of conveyance made pursuant to said sale shall contain the names of only the first-named Plaintiff and the first-named Defendant and the Defendants who were the titleholders of the mortgaged

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property at the time of the filing of the notice of pendency of the within action, and the name of the grantee, and the Clerk of Court is authorized to omit from the indices pertaining to such conveyance the names of all parties not contained in said deed.

13. The undersigned will retain jurisdiction to do all necessary acts incident to this foreclosure including, but not limited to, the issuance of a writ of assistance.

14. It is further ordered, that if the Plaintiff nor the Plaintiff's representative does not appear at the scheduled sale of the above-described property, then the sale of the property will be null, void and of no force and effect. In such event, the sale will be rescheduled for the next available sales date.

15. The premises herein ordered to be sold are described on Exhibit "A" attached hereto and made a part hereof.


William O. Spencer, Jr.
As Special Referee

Chesterfield, South Carolina.

July 20, 2009.

#9

EXHIBIT A

Legal Description:

All that certain piece, parcel, or lot of land, with the improvements thereon, situate, located, lying, and being in the County of Chesterfield, State of South Carolina, the same being shown and delineated as Lot 1, containing (0.50) acres, more or less, upon that certain Plat of Southside II Subdivision prepared by Al Johnson dated June 22, 1993, recorded in the Office of the Clerk of Court for Chesterfield County in Plat Book 41 at page 52, which Plat is incorporated herein by reference, and having such boundaries and measurements as shown thereon, more or less; and being bounded Northeast by S-13-31; South by Sweeny Drive; West by Lot 2, Property N/F Ben L. Norwood; North by Lot 10.

This being property conveyed to Shilon L. Green and Natasha L. Green by deed of Clifton Dewitt dated March 19, 2007 and recorded April 16, 2007 in the Office of the Clerk of Court for Chesterfield County in Deed Book 435 at page 459.

TMS #: 099-008-002-001

FILED
CLERK OF COURT
JUL 23 AM 9 25

A True Copy Attest
Jaye J. Sellers
CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

1003-
Exhibit A

2009 JUL 23 AM 9 24

NOTICE OF SALEDocket No. 08-CP-13-25

By virtue of a decree heretofore granted in the case of Walter Mortgage Company against Natasha L. Green and Shilon L. Green, I, the undersigned Special Referee, will sell on Tuesday, September 8, 2009 at 11:00 o'clock a.m., at the Chesterfield County Courthouse, 200 West Main Street, Chesterfield, South Carolina, to the highest bidder:

All that certain piece, parcel, or lot of land, with the improvements thereon, situate, located, lying, and being in the County of Chesterfield, State of South Carolina, the same being shown and delineated as Lot 1, containing (0.50) acres, more or less, upon that certain Plat of Southside II Subdivision prepared by Al Johnson dated June 22, 1993, recorded in the Office of the Clerk of Court for Chesterfield County in Plat Book 41 at page 52, which Plat is incorporated herein by reference, and having such boundaries and measurements as shown thereon, more or less; and being bounded Northeast by S-13-31; South by Sweeny Drive; West by Lot 2, Property N/F Ben L. Norwood; North by Lot 10.

This being property conveyed to Shilon L. Green and Natasha L. Green by deed of Clifton Dewitt dated March 19, 2007 and recorded April 16, 2007 in the Office of the Clerk of Court for Chesterfield County in Deed Book 435 at page 459.

A True Copy Attest

TMS No. 099-008-002-001

Faye J. Sellers

CURRENT ADDRESS OF PROPERTY IS:

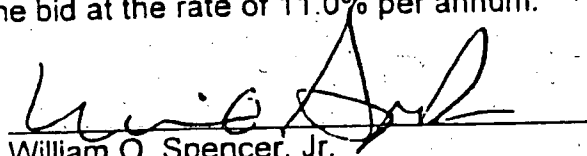
401 Union Church Road
McBee, SC 29101CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

SUBJECT TO ASSESSMENTS, CHESTERFIELD COUNTY TAXES, EXISTING EASEMENTS, EASEMENTS AND RESTRICTIONS OF RECORD, AND OTHER SENIOR ENCUMBRANCES, IF ANY.

TERMS OF SALE: The successful bidder, other than the Plaintiff, will deposit with the Special Referee, at the conclusion of the bidding, Five per cent (5%) of the bid in cash or equivalent, as evidence of good faith, same to be applied to the purchase price in case of compliance, but to be forfeited and applied first to costs and then to Plaintiff's debt in the case of non-compliance. Should the last and highest bidder fail or refuse to make the required deposit at time of bid or comply with the other terms of the bid within thirty (30) days, then the Special Referee may resell the property on the same terms and conditions on some subsequent Sales Day (at the risk of the said highest bidder.)

No personal or deficiency judgment being demanded, the bidding will not remain open after the date of sale, but compliance with the bid may be made immediately.

Purchaser to pay for preparation of the Special Referee's deed, documentary stamps on the deed, recording of the deed, and interest on the amount of the bid from date of sale to date of compliance with the bid at the rate of 11.0% per annum.



William O. Spencer, Jr.
As Special Referee

Plaintiff's Attorney:

J. Kershaw Spong
Post Office Box 944
Columbia, South Carolina 29202
803/779-8900

STATE OF SOUTH CAROLINA

COUNTY OF CHESTERFIELD

) IN THE COURT OF COMMON PLEAS

) Case No.: 08-CP-13-25

Walter Mortgage Company,

Plaintiff,

v.

Natasha L. Green and Shilon L.
Green,Defendants and
Third Party Plaintiff

v.

Jim Walter Homes, Inc.,

Third Party Defendant.

CERTIFICATE OF SERVICE

This is to certify that I, Bonnie A. Belser, a legal assistant with the law firm of Robinson, McFadden & Moore, P.C., have caused to be served upon the persons named below the Notice of Sale and Special Referee's Order and Judgment of Foreclosure and Sale in the foregoing matter by placing copies of same in the United States Mail, postage prepaid, in envelopes addressed as follows:

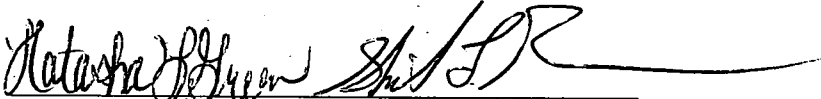
Barry L. Thompson, II, Esquire
Moore, Taylor & Thomas, P.A.
Post Office Box 5709
West Columbia, SC 29171
(Attorney for Defendants)

Dated this 29th day of July, 2009 at Columbia, South Carolina.

Bonnie A. Belser
Bonnie A. Belser

LETTER OF COMPLIANCE

This is to certify, to the best of our knowledge, our RECORD ON APPEAL is in compliance to the Rule 211(b).


Natasha L. Green and Shilon L. Green

CERTIFICATE OF SERVICE BY MAIL
2008-CP-13-0025

We, Natasha L. Green and Shilon L. Green, Appellants, do hereby certify that we have on January 19, 2010 served a copy of our RECORD ON APPEAL on attorney for REPONDENTS by mailing a copy thereof to him at the address indicated below.

J. Kershaw Spong
Robin, McFadden & Moore, P.C.
PO Box 944
Columbia, SC 29202

The block contains two handwritten signatures in black ink. The first signature, on the left, appears to be 'Natasha L. Green' and the second, on the right, appears to be 'Shilon L. Green'. Both signatures are written in a cursive, flowing style.

Natasha L. Green and Shilon L. Green
PO Box 334
McBee, SC 29101

181737
THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM CHESTERFIELD COUNTY

William O. Spencer, Jr., as Special Referee

Case No. 2008-CP-13-0025

Walter Mortgage Company Respondents

v.

Natasha L. Green and Shilon L. Green Appellants

**SUPPLEMENTAL RECORD
ON APPEAL**

Natasha L. Green and Shilon L. Green
Post Office Box 334
McBee, SC 29101
Appellants'
843-335-5794

Robinson, McFadden, & Moore, PC
J. Kershaw Spong
Post Office Box 944
Columbia, SC 29202
Attorney for Respondent
803-779-8900

TABLE OF CONTENTS

Photo of Subject House.....	1
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Stipulation of Dismissal with Prejudice.....	5





03



ALL-STATE LEGAL®
DEFENDANT'S
EXHIBIT
11

February 6, 2009

STATEMENT OF ACCOUNT

RE: **Natasha L. Green and Shilon L. Green**
Account No. 2010904300
401 Union church Road, McBee, SC 29101; Chesterfield County

Principal due from October 5, 2007	\$ <u>123,330.00</u>
Finance charge due from 10/05/07 to 2/05/09 @ 11% per annum	\$ <u>19,966.50</u>
Late Charges	\$ <u> .00</u>
Advances for (Insurance: \$ <u>1,437.74</u> ; taxes: \$ <u> .00</u>)	\$ <u> 1,437.74</u>
Appraisal Costs	\$ <u> .00</u>
Total Payoff	\$ <u>144,734.24</u>



STATE OF SOUTH CAROLINA
COUNTY OF CHESTERFIELD

)
) IN THE COURT OF COMMON PLEAS
)

Walter Mortgage Company,
Plaintiff,

Case No.: 08-CP-13-25

v.

Natasha L. Green and Shilon L.
Green,

Defendants.

**SATISFACTION OF ARBITRATION
AWARD AND STIPULATION OF
DISMISSAL WITH PREJUDICE**

Natasha L. Green and Shilon L.
Green,

Third-Party Plaintiffs

v.

Jim Walter Homes, Inc.

Third-Party Defendant

2009 AUG 19 AM 9 00
FAYE L. SELLERS
CLERK OF COURT
CHESTERFIELD COUNTY, S.C.

A True Copy, Attest
Faye L. Sellers
CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

WHEREAS, Natasha L. Green and Shilon L. Green brought the above captioned
third-party against Jim Walter Homes, Inc.;

WHEREAS, the parties agreed to resolve the claims raised in the Complaint by
arbitration and the Court entered an Order on August 21, 2008 staying the foreclosure
action pending the outcome of the arbitration between the Third-Party Plaintiffs
(Natasha L. Green and Shilon L. Green) and the Third-Party Defendant (Jim Walter
Homes, Inc.);

WHEREAS, the parties selected James L. Bruner, Esquire of Columbia, South Carolina as the arbitrator;

WHEREAS, an arbitration hearing was held before Mr. Bruner in Columbia, South Carolina on December 2, 2008;

WHEREAS, on December 3, 2008, Mr. Bruner issued an award in favor of Natasha L. Green and Shilon L. Green in the amount of \$4,300.00, a copy of which is attached hereto as Exhibit 1;

WHEREAS, Jim Walter Homes, Inc. has tendered payment to Barry L. Thompson, Esquire as attorney for Natasha L. Green and Shilon L. Green in the amount of \$ 4,300.00;

NOW, THEREFORE, the undersigned agree that the arbitration award has been fully satisfied and that the third-party action is hereby dismissed with prejudice.

A True Copy, Attest

Loye S. Sellers

CLERK OF COURT C.P. & G.S.
CHESTERFIELD COUNTY, SC

Barry L. Thompson

Barry L. Thompson, II, Esquire
MOORE, TAYLOR & THOMAS, P.A.
Post Office Box 5709
West Columbia, SC 29171
(803) 796-9160
(803) 791-8410 (facsimile)

Attorney for Third-Party Plaintiffs

Charles H. McDonald

Charles H. McDonald, Esquire
ROBINSON, MCFADDEN & MOORE, P.C.
PO Box 944
Columbia, SC 29202
(803) 779-8900
(803) 252-0724 (facsimile)

Attorney for Third-Party Defendant

7/5/2009

LETTER OF COMPLIANCE

This is to certify, to the best of our knowledge, the RECORD ON APPEAL and the SUPPLEMENTAL RECORD ON APPEAL contains all materials proposed to be included by all parties and are in compliance to Rule 211(b). If there are any additional documents that are missing that the RESPONDENT wanted included and are not is because the RESPONDENT has failed to provide the necessary documents needed.

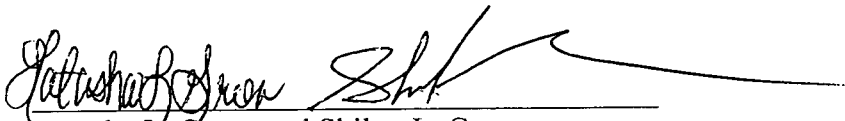


Natasha L. Green and Shilon L. Green

CERTIFICATE OF SERVICE BY MAIL
2008-CP-13-0025

We, Natasha L. Green and Shilon L. Green, Appellants, do hereby certify that we have on January 27, 2010 served the SUPPLEMENTAL RECORD ON APPEAL on attorney for REPONDENTS by mailing a copy to him at the address indicated below.

J. Kershaw Spong
Robinson, McFadden & Moore, P.C.
PO Box 944
Columbia, SC 29202



Natasha L. Green and Shilon L. Green
PO Box 334
McBee, SC 29101

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM CHESTERFIELD COUNTY

William O. Spencer, Jr., as Special Referee

Case No. 2008-CP-13-0025
Unpublished Opinion No. 2011-UP-071
Submitted January 4, 2011- Filed February 23, 2011

Walter Mortgage Company Respondents

v.

Natasha L. Green and Shilon L. Green Appellants

Motion to Petition for Rehearing

Natasha L. Green and Shilon L. Green
Post Box 334
McBee, SC 29101
Appellants'

J.Kershaw Spong
Robinson, McFadden & Moore, P.C.
Post Office Box 944
Columbia, SC 29202
Attorney for Respondent

We, Natasha and Shilon Green, Appellants, are asking that the COA reverse their opinion for the following reasons:

The court stated in their opinion that "An issue cannot be raised for the first time on appeal, but must have been raised to and ruled upon the trial judge to be preserved for appellate review.

Barry Thompson, our counsel who was representing us before he was released by the court filed our initial brief. Page 3 of our initial brief states, "At the hearing on Respondent's Motion for Summary Judgment, both parties agreed to the admission into evidence of any and all documents used at the arbitration. Both parties argued in a manner consistent with their respective pleadings. The hearing was not recorded. Being that hearing the was not recorded, it is the Respondent's words against ours, the Appellants, words. We have been treated unfairly throughout this whole process. Where are the laws that protects the consumers, because the law and the courts has not protected us. The Code Inspector did what he could to protect us. He issued several red tags. He wouldn't issue a Certificate of Occupancy because the home was not and is not safe to move in. He tried to protect us and him, because he would have lost his job and would have been sued if he had issued a Certificate of Occupancy knowing the house did not meet code. The Inspector knew the wiring were wrong and he would not nor could not pass this house knowing this family had two little kids as well. He knew the smoke alarms were controlled by a switch and tied into the main breaker. He knew that he couldn't pass a house like this knowing that if the switch was not turned on or the main breaker was shut down, in case of a fire, this family would have no way of knowing if

they were all sleep. The blood would have been own his hand that 4 people died inside of a house he passed, but shouldn't have. The law is not protecting us, but it is protecting Jim Walter Homes and Jim Walter Mortgage Company. They knew the house had major problems and didn't pass code. What did they do to protect us and correct the problems? Nothing!!! The only thing they wanted was to get rid of us. The law is protecting the Jim Walter Homes and Jim Walter Homes; in which, they caused all these problems. The evidence is all there. The Inspector tried to protect us and himself. Our home could not nor would not pass the inspection. This was argued and raised to the Special Referee.

In determining whether any triable issues of fact exist, the evidence and all reasonable inferences there from must be viewed in the light most favorable to the non-moving party. On appeal from an order granting summary judgment, the appellate court will review all ambiguities, conclusions and inferences arising in and from the evidence in a light most favorable to the non-moving party below. Williams v Chesterfield Lumber Co., 267 S.C. 607, 230 S.E. 2d 447 (1976).

We, the Appellants', are the non-moving party below. Consequently, if any genuine issue of material fact was properly alleged by we, the Appellants' and not conclusively refuted by evidence before the court below, summary judgment is improper and the lower court's order must be reversed and this case remanded for a full evidentiary hearing on all claims and defenses.

There was sufficient evidence before the Special Referee at the hearing on Respondent's Motion for Summary Judgment to indicate the Respondent might be more than a mere lender in this matter. There was argument before the Special Referee that in Chesterfield County, whom ever applies for a permit to construct a house, must also be the one who

obtain the CO. We, the Appellants' were not the one's who applied for the permit. There was argument raised and evidence in the ROA that Jim Walter Mortgage Company/Jim Walter Homes knew that our home never passed inspection after being released to us. There is evidence that the only thing Jim Walter Mortgage Company wanted to do was to make it hard on us once they found out the home never passed inspection.

CERTIFICATE OF SERVICE BY MAIL

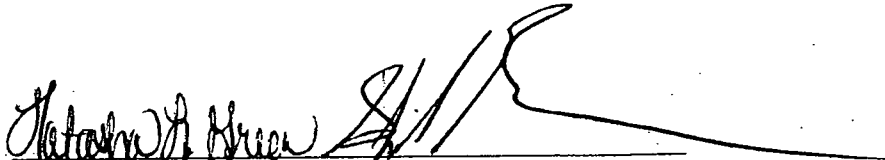
2008-CP-13-0025

Unpublished Opinion No. 2011-UP-071

Filed January 4, 2011-February 23, 2011

We, Natasha L. Green and Shilon L. Green, Appellants, do hereby certify that we have on March 1, 2011 served a copy of our MOTION FOR REHEARING on attorney for RESPONDENTS by mailing a copy thereof to him at the address indicted below.

J. Kershaw Spong
Robinson, McFadden & Moore, P.C.
PO Box 944
Columbia, SC 29202

Handwritten signatures of Natasha L. Green and Shilon L. Green. The signature of Natasha L. Green is on the left, and the signature of Shilon L. Green is on the right, extending further to the right.

Natasha L. Green and Shilon L. Green
PO Box 334
McBee, SC 29101

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM CHESTERFIELD COUNTY

William O. Spencer, Jr., as Special Referee

Case No. 2008-CP-13-0025
✓ Unpublished Opinion No. 2011-UP-071
Submitted January 4, 2011- Filed February 23, 2011

Walter Mortgage Company Respondents

v.

Natasha L. Green and Shilon L. Green Appellants

Supplement to Motion to Petition for Rehearing

Natasha L. Green and Shilon L. Green
Post Box 334
McBee, SC 29101
Appellants'

J.Kershaw Spong
Robinson, McFadden & Moore, P.C..
Post Office Box 944
Columbia, SC 29202
Attorney for Respondent

We, Natasha and Shilon Green, Appellants', are asking that the COA reverse their opinion for the following reasons:

The court stated in their opinion that "An issue cannot be raised for the first time on appeal, but must have been raised to and ruled upon the trial judge to be preserved for appellate review.

The issue that we raised to the COA has been raised during our arbitration hearing, before Judge Paul Burch and Special Referee Billy Spencer. In fact, Barry Thompson, our counsel who was representing us, stated in page 3 of our initial brief, "At the hearing on Respondent's Motion for Summary Judgment, both parties agreed to the admission into evidence of any and all documents used at the arbitration. Both parties argued in a manner consistent with their respective pleadings.

The hearing was not recorded. Being that the hearing the was not recorded, it is the Respondent's words against ours, the Appellants, words. Being that this hearing wasn't recorded what evidence does the COA have or the Respondent to say these issues were not raised? We have been treated unfairly throughout this whole process. Where are the laws that protects the consumers, because the law and the courts have not protected us. In the following class-action lawsuit, Craps, et al vs Jim Walter Homes, et al, the law protected J. Randy Craps, Kathy D. Craps, David B. Bookhardt, Maria B. Bookhardt, Brian Carrier, and Bonnie L. Carrier on behalf of themselves and all others similar vs Jim Walter Homes, Inc. and Mid-State Homes, Inc. In the U.S. District Court, (civil action no. 3:94-3285-17) the law protected everyone that had a home built through Jim Walter Homes and a mortgage from one of the Walter Industries, Inc.

In the U.S. District Court for the District of South Carolina, Columbia Division, the court ruled

against Jim Walter Homes, Inc. and Mid-State Homes (who is a division of Walter Industries)
By order dated April 11, 1995, those who had a mortgage or loan from December 27, 1989 up to
and including November 18, 1994 were included in this class action lawsuit. Our Attorney
raised some of the same arguments before the Special Referee and the Arbitrator. It appears that
after Jim Walter Homes, Inc. and Walter Industries, Inc. lost this class action lawsuit involving
thousands of homeowners, they continue business as usual. Again there is no transcript nor was
the hearing recorded. We feel strongly that the decision should be reversed. We are asking the
COA to really look at the case law that we have presented. The COA will see what kind of
wrongdoings Jim Walter Homes and Walter Industries committed and the price that they
had to pay to thousands of homeowners.

A handwritten signature in black ink, appearing to read 'Natasha L. Green' and 'Shilon L. Green', is written over a horizontal line.

Natasha L. Green and Shilon L. Green
PO Box 334
McBee, SC 29101

CERTIFICATE OF SERVICE BY MAIL

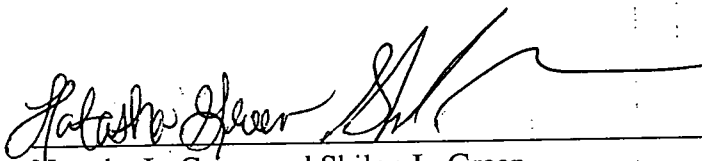
2008-CP-13-0025

Unpublished Opinion No. 2011-UP-071

Filed January 4, 2011-February 23, 2011

We, Natasha L. Green and Shilon L. Green, Appellants, do hereby certify that we have on March ____, 2011 served a copy of our SUPPLEMENT TO MOTION FOR REHEARING on attorney for RESPONDENTS by mailing a copy thereof to him at the address indicted below.

J. Kershaw Spong
Robinson, McFadden & Moore, P.C.
PO Box 944
Columbia, SC 29202

A handwritten signature in black ink, appearing to read "Natasha L. Green" followed by a stylized flourish that extends to the right.

Natasha L. Green and Shilon L. Green
PO Box 334
McBee, SC 29101



The South Carolina Court of Appeals

TANYA A. GEE
CLERK

V. CLAIRE ALLEN
DEPUTY CLERK

POST OFFICE BOX 11629
COLUMBIA, SOUTH CAROLINA 29211
1015 SUMTER STREET
COLUMBIA, SOUTH CAROLINA 29201
TELEPHONE: (803) 734-1890
FAX: (803) 734-1839
www.sccourts.org

March 25, 2011

Natasha Green
Shilon Green
P. O. Box 334
McBee, SC 29101

Re: Walter Mtg Co. v. Green, Natasha

Dear Mr. Green:

Enclosed is a copy of an Order of the Court denying your Petition for Rehearing in the above case.

The Remittitur in this case will be held in this Court only so long as required by Appellate Court Rule 221 (b).

Please notify this office, in writing, within ten (10) days from the date of this letter, whether or not you want any of the remaining Records on Appeal and briefs we may have in this case. Also enclose a check payable to the S. C. Court of Appeals, in the amount of \$7.50, to cover mailing costs. If we have not heard from you within ten (10) days, the Record on Appeal and briefs will be disposed of.

Sincerely,

A handwritten signature in dark ink, appearing to read "Renee S. Johnson", is written over a horizontal line.

Renee S. Johnson
Administrative Specialist

JKS
JAG/rj

cc: J. Kershaw Spong, Esquire

The South Carolina Court of Appeals

Walter Mortgage Company,

Respondent,

Natasha L. Geen and Shilon L. Green,

Defendants and Third Party Plaintiff,

v.

Jim Walter Homes, Inc.,

Third Party Defendant,

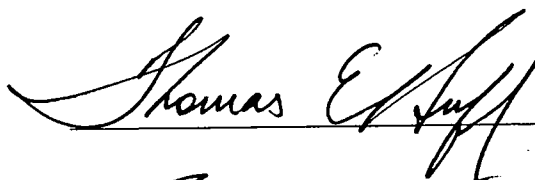
of whom Natasha L. Green and Shilon
L. Green are

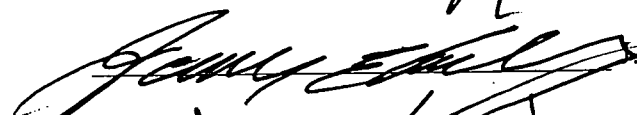
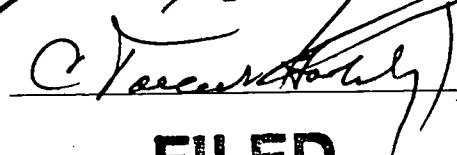
Appellants.

Special Referee William O. Spencer, Jr.,
Chester County
Trial Court Case No. 2008-CP-13-00025

ORDER

After a careful consideration of the Petition for Rehearing, the Court is unable to discover any material fact or principle of law that has been either overlooked or disregarded and hence, there is no basis for granting a rehearing. It is, therefore, ordered that the Petition for Rehearing be denied.

 J.


 A.J.

Columbia, South Carolina

FILED

MAR 25 2011



The South Carolina Court of Appeals

TANYA A. GEE
CLERK

V. CLAIRE ALLEN
DEPUTY CLERK

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February 23, 2011

Natasha Green
Shilon Green
P. O. Box 334
McBee, SC 29101

J. Kershaw Spong, Esquire
Robinson McFadden & Moore, PC
P.O. Box 944
Columbia, SC 29202

Re: Walter Mtg Co. v. Green, Natasha

Dear Counsel:

Enclosed is the opinion of the Court of Appeals in this case.

Pursuant to Rule 221(b) of the South Carolina Appellate Court Rules, the remittitur in this case will be sent to the Clerk of Court for Chester County after fifteen (15) days, exclusive of the date of filing of this opinion.

No extension for a petition for rehearing will be granted except in the most extraordinary circumstances and, except in the rarest cases, with seven days' notice.

Sincerely,


Renee S. Johnson
Administrative Specialist

TAG/rj

THIS OPINION HAS NO PRECEDENTIAL VALUE. IT SHOULD NOT BE CITED OR RELIED ON AS PRECEDENT IN ANY PROCEEDING EXCEPT AS PROVIDED BY RULE 268(d)(2), SCACR.

**THE STATE OF SOUTH CAROLINA
In The Court of Appeals**

Walter Mortgage Company, Respondent,

v.

Natasha L. Green and Shilon L.
Green, Appellants.

Appeal From Chester County
William O. Spencer, Jr., Circuit Court Judge

Unpublished Opinion No. 2011-UP-071
Submitted January 4, 2011 – Filed February 23, 2011

AFFIRMED

Natasha Green and Shilon Green, pro se, of McBee,
for Appellants.

J. Kershaw Spong, of Columbia, for Respondent.

PER CURIAM: In this foreclosure action, Natasha and Shilon Green appeal a special referee's grant of summary judgment to Walter Mortgage Company. We affirm¹ pursuant to Rule 220(b)(1), SCACR, and the following authorities: S.C. Dep't of Transp. v. First Carolina Corp. of S.C., 372 S.C. 295, 301, 641 S.E.2d 903, 907 (2007) ("[A]n issue cannot be raised for the first time on appeal, but must have been raised to and ruled upon by the trial judge to be preserved for appellate review." (quoting Wilder Corp. v. Wilke, 330 S.C. 71, 76, 497 S.E.2d 731, 733 (1998))); Helms Realty, Inc. v. Gibson-Wall Co., 363 S.C. 334, 339, 611 S.E.2d 485, 487-88 (2005) ("Appellant[s] ha[ve] the burden of providing a sufficient record."); Cowburn v. Leventis, 366 S.C. 20, 41, 619 S.E.2d 437, 448 (Ct. App. 2005) ("When a trial court makes a general ruling on an issue, but does not address the specific argument raised by a party, that party must make a Rule 59(e) motion asking the trial court to rule on the issue in order to preserve it for appeal.").

AFFIRMED.

HUFF and LOCKEMY, JJ., and GOOLSBY, A.J., concur.

¹ We decide this case without oral argument pursuant to Rule 215, SCACR.