

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

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APPEAL FROM CHARLESTON COUNTY  
Court of Common Pleas

**SC Court of Appeals**

The Honorable Mikell R. Scarborough  
Charleston County  
Trial Court Case No.: 2010-CP-10-06945

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Appellate Case No.: 2014-001398

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Wells Fargo Bank, N.A., Respondent,

v.

Ronald R. Watkins and Ashland Plantation Property  
Owners Association, Defendants

Of whom Ronald R. Watkins is Appellant.

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RECORD ON APPEAL

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Brian M. Knowles, Esquire  
PO Box 50201  
Summerville SC 29485

Thomas E. Lydon, Esquire  
1320 Main Street, 10th floor  
Columbia SC 29211

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ORIGINAL

STATE OF SOUTH CAROLINA )  
 )  
 COUNTY OF CHARLESTON )  
 )  
 Wells Fargo Bank, N.A., )  
 )  
 Plaintiff, )  
 vs. )  
 )  
 Ronald R. Watkins and Ashland )  
 Plantation Property Owners )  
 Association, Inc., )  
 Defendants. )  
 \_\_\_\_\_ )

IN THE COURT OF COMMON PLEAS  
 Civil Action No. 2010-CP-10-6945

FILED  
 2014 MAY 26 PM 3:23  
 JULIE J. ARMSTRONG  
 CLERK OF COURT

ORDER

*Grady Summary Judgment*  
*MS*

This matter came before the Court on April 21, 2014, for a hearing on Plaintiff's Motion for Summary Judgment. In support of the Motion, Plaintiff filed the Affidavit of Michael Dolan. Defendant Ronald R. Watkins filed an affidavit in opposition to the Motion. Having reviewed the motion, the affidavits, and other materials in the record, and having heard the arguments of counsel, I find and conclude as follows:

**FINDINGS OF FACT**

For the purpose of the pending Motion for Summary Judgment, the following facts are undisputed:

1. This is a mortgage foreclosure action arising out of two mortgage loans made to Defendant Ronald R. Watkins ("Watkins").
2. On June 15, 2007, Watkins executed a promissory note to World Savings Bank, FSB in the amount of \$398,000.00. Simultaneous with the execution of the note, Watkins granted World Savings Bank, FSB a first mortgage on property located at 2363 Rice Pond Road in Charleston County, South Carolina.

*MS*

3. Also on June 15, 2007, Watkins executed a promissory note to World Savings Bank, FSB in the amount of \$49,200.00. Simultaneous with the execution of the note, Watkins granted World Savings Bank, FSB a second mortgage on property located at 2363 Rice Pond Road in Charleston County, South Carolina.

4. The closing of the mortgage loans took place at a Wachovia Bank branch in Charleston, South Carolina. In connection with the transactions, a title company hired by the lender handled the issuance of the title insurance commitment, the title insurance policy, the recording of documents, and the disbursement of funds.

5. Watkins does not dispute that he signed the promissory notes and mortgages that are the subject of this action and admits that he received the loan proceeds from the transactions.

6. Plaintiff Wells Fargo Bank, N.A. is the successor by merger to World Savings, Bank, FSB.

7. Watkins does not dispute that he failed to make payments when due on both loans.

8. As a result of Watkins' failure to make payments when due on the loans, Plaintiff filed this action to foreclose the mortgages.

9. In response to the foreclosure complaint, Watkins filed an Answer and Counterclaim. Watkins' counterclaims were previously dismissed, but he has also asserted affirmative defenses related to the closing of the loans.

10. The primary affirmative defense asserted by Watkins is unclean hands. Specifically, Watkins' contends that the loan closings were "witness only" closings because a title company hired by the lender handled the issuance of the title insurance



commitment, the title insurance policy, the recording of documents, and the disbursement of funds.

11. Watkins asserts that because the issuance of the title insurance commitment, the title insurance policy, the recording of documents, and the disbursement of funds were not handled by an attorney licensed to practice in South Carolina, the promissory notes and mortgages that are the subject of this action are not enforceable.

### CONCLUSIONS OF LAW

1. "The purpose of summary judgment is to expedite the disposition of cases which do not require the services of a fact finder." *George v. Fabri*, 345 S.C. 440, 452, 548 S.E.2d 868, 874 (2001). Summary judgment is proper when there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law. *Fleming v. Rose*, 350 S.C. 488, 493, 567 S.E.2d 857, 860 (2002), citing Rule 56(c), SCRPC.

2. Watkins' unclean hands defense is based on the holding of the South Carolina Court of Appeals in *Wachovia Bank v. Coffey*, 389 S.C. 68, 698 S.E.2d 244 (Ct. App. 2010). In that case, a mortgage lender was denied equitable relief because the underlying mortgage loan transaction was not supervised by a South Carolina attorney. In denying the equitable relief, the Court of Appeals stated that a lender who comes to court with unclean hands "is barred from seeking equitable relief." 698 S.E.2d at 248.

3. Since the *Coffey* decision in 2010, the South Carolina Supreme Court has issued two opinions in which it held that if a mortgage loan is closed without an attorney being present, the loan documents are enforceable, except with respect to any documents

recorded after August 8, 2011. See, *BAC Home Loan Servicing v. Kinder*, 398 S.C. 619, 731 S.E.2d 547 (2012); *Matrix Financial Services Corp. v. Frazer*, 394 S.C. 134, 714 S.E.2d 532 (2011).

4. In *Matrix Financial Services Corp.*, the lender hired a title company to perform the title search, prepare the documents, and close the loan – all without the supervision of an attorney licensed in South Carolina. The Supreme Court held that this constituted the unauthorized practice of law and held that “a lender may not enjoy the benefit of equitable remedies when that lender failed to have attorney supervision during the loan process as required by law.” However, the Court went on to state that this ruling applies only to “filing dates after the issuance of this opinion.” 714 S.E.2d at 535.

5. Thereafter, in *BAC Home Loan Servicing v. Kinder*, the Supreme Court reiterated that the holding in *Matrix Financial* is prospective only and that mortgages recorded prior to August 8, 2011 are enforceable, regardless of whether the closing was supervised by an attorney. 731 S.E.2d at 550.

6. Subsequent to its opinions in *Matrix Financial* and *BAC Home Loan Servicing*, the South Carolina Supreme Court reviewed the Court of Appeals’ decision in *Wachovia Bank v. Coffey*. The Supreme Court affirmed the result in the decision of the Court of Appeals on the grounds that an invalid mortgage is not enforceable, but did not reach the issue of the unclean hands defense. *Wachovia Bank, N.A. v. Coffey*, 404 S.C. 421, 746 S.E.2d 35 (2013).

7. The two mortgages that are the subject of this action were recorded on July 24, 2007. Therefore, based on the holdings in *Matrix Financial* and *BAC Home Loan*



*Servicing*, both of these mortgages are enforceable regardless of whether the closings were supervised by an attorney.

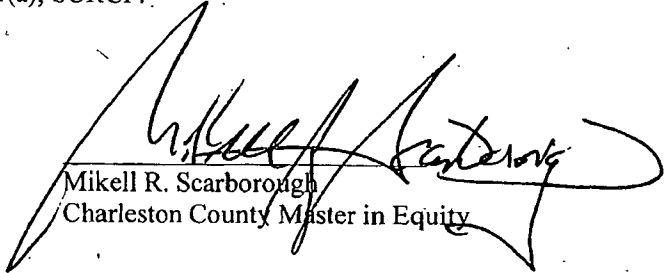
8. Based on the undisputed facts and the applicable case law cited above, I find and conclude that Watkins' unclean hands defense does not preclude the foreclosure of the mortgages that are the subject of this action.

9. Further, it is undisputed that Watkins failed to make payments when due on the loans. Therefore, I find that both loans are in default.

Therefore, based on the foregoing, I find that there is no genuine issue as to any material fact in the case, and Plaintiff's Motion for Summary Judgment should be GRANTED. Accordingly,

IT IS ORDERED that the mortgage loans that are the subject of this action are in default, and Plaintiff is entitled to foreclosure its mortgages; provided, however, that Plaintiff shall be required to establish the total debt due on the mortgage loans at a foreclosure hearing in accordance with Rule 71(a), SCRPC.

AND IT IS SO ORDERED.



Mikell R. Scarborough  
Charleston County Master in Equity

Charleston, South Carolina  
5/22, 2014

**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**

Wells Fargo, N.A., Respondent,

v.

Ronald R. Watkins and Stefan Acres Property Owners  
Association, Inc., Defendants,

Of Whom Ronald R. Watkins is the Appellant.

Wells Fargo, N.A., Respondent,

v.

Ronald R. Watkins and Stefan Acres Property Owners  
Association, Inc., Defendants,

Of Whom Ronald R. Watkins is the Appellant.

Wells Fargo, N.A., Respondent,

v.

Ronald R. Watkins and Ashland Plantation Property  
Owners Association, Inc., Defendants,

Of Whom Ronald R. Watkins is the Appellant.

Appellate Case No. 2011-203407

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Appeal From Charleston County

Roger M. Young, Circuit Court Judge

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Unpublished Opinion No. 2013-UP-126  
Heard March 6, 2013 – Filed March 27, 2013

---

**AFFIRMED IN PART AND DISMISSED IN PART**

---

Brian Morris Knowles, of Knowles Law Firm, PC, of  
Summerville, for Appellant.

Thomas E. Lydon, of McAngus Goudelock & Courie,  
LLC, of Columbia, for Respondent.

---

**PER CURIAM:** Ronald R. Watkins appeals (1) the circuit court's grant of Wells Fargo, N.A.'s (the Bank's) motion to dismiss or for summary judgment and (2) the denial of his summary judgment motion in these foreclosure actions. We affirm in part and dismiss in part pursuant to Rule 220(b), SCACR, and the following authorities:

1. As to the grant of the Bank's motion to dismiss or for summary judgment on Watkins's counterclaims for declaratory judgment and violation of South Carolina's Unfair Trade Practices Act based on the unauthorized practice of law: *Franklin v. Chavis*, 371 S.C. 527, 535, 640 S.E.2d 873, 877 (2007) ("There is no private right of action in South Carolina for the unauthorized practice of law." (citing *Linder v. Ins. Claims Consultants, Inc.*, 348 S.C. 477, 96-97, 560 S.E.2d 612, 622-23 (2002)); *Hambrick v. GMAC Mortg. Corp.*, 370 S.C. 118, 123-24, 634 S.E.2d 5, 8-9 (Ct. App. 2006) (affirming dismissal of complaint when charges of unauthorized practice of law were the basis for all alleged causes of action because only the South Carolina Supreme Court can determine what constitutes the unauthorized practice of law and no private cause of action for the unauthorized practice of law exists).
2. As to the denial of Watkins's motion for summary judgment on the Bank's foreclosure actions based on the affirmative defense of unclean hands: *Ballenger v.*

*Bowen*, 313 S.C. 476, 477-78, 443 S.E.2d 379, 380 (1994) ("[T]he denial of summary judgment does not *finally* determine anything about the merits of the case and does not have the effect of striking any defense since that defense may be raised again later in the proceedings. Therefore, an order denying a motion for summary judgment is not appealable."); *Olson v. Faculty House of Carolina, Inc.*, 354 S.C. 161, 167-68, 580 S.E.2d 440, 443-44 (2003) (holding the denial of summary judgment may not be reviewed even if another appealable issue is before the court).

**AFFIRMED IN PART AND DISMISSED IN PART.**

**HUFF, WILLIAMS, and KONDUROS, JJ., concur.**

STATE OF SOUTH CAROLINA  
COUNTY OF CHARLESTON

Wells Fargo Bank, N.A.,  
Plaintiff,

VS.

Ronald R. Watkins and Ashland Plantation Property Owners  
Association, Inc  
Defendant(s).

IN THE COURT OF COMMON PLEAS  
CIVIL ACTION COVER SHEET

Docket No. 2010-CP-10-10945

Submitted By: Ronald C. Scott (RonS@scottlaw.com), SC Bar #4996  
Elizabeth Rice Polk (BetsyP@scottlaw.com), SC Bar #11873  
Brett F. Kline (BrettK@scottlaw.com), SC Bar #16881  
Angella J. Grant (AngiG@scottlaw.com), SC Bar #78334  
Sara J. Volk (SaraV@scottlaw.com), SC Bar #74822  
P.O. Box 2065 Telephone #: (803) 252-3340  
Columbia, SC 29202 Fax #: (803) 252-3348

Note: The cover sheet and the 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 completely, 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 Circuit Court Alternative Dispute Resolution Rules.
- This case is subject to MEDIATION pursuant to Circuit Court Alternative Dispute Resolution Rules.
- This case is exempt from ADR (certificate is attached).

NATURE OF ACTION (check one box below)

- |  |  |   |   |
|--|--|---|---|
| <p><b>Contracts</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Construction (100)</li> <li><input type="checkbox"/> Debt Collection (110)</li> <li><input type="checkbox"/> Employment (120)</li> <li><input type="checkbox"/> General (130)</li> <li><input type="checkbox"/> Breach of Contract (140)</li> <li><input type="checkbox"/> Other (199)</li> </ul>  | <p><b>Torts-Professional Malpractice</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Dental Malpractice (200)</li> <li><input type="checkbox"/> Legal Malpractice (210)</li> <li><input type="checkbox"/> Medical Malpractice (220)</li> <li><input type="checkbox"/> Previous Notice of Infant Case #<br/>20 - CP - - - -</li> <li><input type="checkbox"/> Notice/File Med Mal (230)</li> <li><input type="checkbox"/> Other (299)</li> </ul>  | <p><b>Torts-Personal Injury</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Assault/Slander/Libel (300)</li> <li><input type="checkbox"/> Conversion (310)</li> <li><input type="checkbox"/> Motor Vehicle Accident (320)</li> <li><input type="checkbox"/> Premises Liability (330)</li> <li><input type="checkbox"/> Products Liability (340)</li> <li><input type="checkbox"/> Personal Injury (350)</li> <li><input type="checkbox"/> Wrongful Death (360)</li> <li><input type="checkbox"/> Other (399)</li> </ul> | <p><b>Real Property</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Claim &amp; Delivery (400)</li> <li><input type="checkbox"/> Condemnation (410)</li> <li><input checked="" type="checkbox"/> Foreclosure (420)</li> <li><input type="checkbox"/> Mechanic's Lien (430)</li> <li><input type="checkbox"/> Partition (440)</li> <li><input type="checkbox"/> Possession (450)</li> <li><input type="checkbox"/> Building Code Violation(460)</li> <li><input type="checkbox"/> Other (499)</li> </ul>   |
| <p><b>Inmate Petitions</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> PCR (600)</li> <li><input type="checkbox"/> Mandamus (620)</li> <li><input type="checkbox"/> Habeas Corpus (630)</li> <li><input type="checkbox"/> Other (699)</li> </ul>   | <p><b>Judgments/Settlements</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Death Settlement (700)</li> <li><input type="checkbox"/> Foreign Judgment (710)</li> <li><input type="checkbox"/> Magistrate's Judgment (720)</li> <li><input type="checkbox"/> Minor Settlement (730)</li> <li><input type="checkbox"/> Transcript Judgment (740)</li> <li><input type="checkbox"/> Lis Pendens (760)</li> <li><input type="checkbox"/> Transfer of Structured Settlement<br/>Payment Rights Application (760)</li> <li><input type="checkbox"/> Other (799)</li> </ul> | <p><b>Administrative Law/Relief</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Reinstate Driver's License (800)</li> <li><input type="checkbox"/> Judicial Review (810)</li> <li><input type="checkbox"/> Relief (820)</li> <li><input type="checkbox"/> Permanent Injunction (830)</li> <li><input type="checkbox"/> Forfeiture - Petition (840)</li> <li><input type="checkbox"/> Forfeiture - Consent Order (850)</li> <li><input type="checkbox"/> Other (899)</li> </ul>  | <p><b>Appeals</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Arbitration (900)</li> <li><input type="checkbox"/> Magistrate-Civil (910)</li> <li><input type="checkbox"/> Magistrate-Criminal (920)</li> <li><input type="checkbox"/> Municipal (930)</li> <li><input type="checkbox"/> Probate Court (940)</li> <li><input type="checkbox"/> SCDOT (950)</li> <li><input type="checkbox"/> Worker's Comp (960)</li> <li><input type="checkbox"/> Zoning Board (970)</li> <li><input type="checkbox"/> Public Service Commission(980)</li> <li><input type="checkbox"/> Employment Security Comm(991)</li> <li><input type="checkbox"/> Other (999)</li> </ul> |
| <p><b>Special/Complex/Other</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Environmental (600)</li> <li><input type="checkbox"/> Automobile Arb. (610)</li> <li><input type="checkbox"/> Medical (620)</li> <li><input type="checkbox"/> Other (699)</li> <li><input type="checkbox"/> Pharmaceuticals (630)</li> <li><input type="checkbox"/> Unfair Trade Practices (640)</li> <li><input type="checkbox"/> Out-of-State Depositions (650)</li> <li><input type="checkbox"/> Motion to Quash Subpoena In Out-<br/>of-County Action (660)</li> <li><input type="checkbox"/> Sexual Predator (610)</li> </ul> |  |   |   |

Submitting Party Signature:  
SCCA / 234 (01/10)

Date: August 24, 2010

Note: Frivolous civil proceedings may be subject to sanctions pursuant to S.C. Code Ann. § 15-38-10 et seq. and the South Carolina Frivolous Proceedings Sanctions Act, S.C. Code Ann. § 15-38-10 et seq.

STATE OF SOUTH CAROLINA  
COUNTY OF CHARLESTON

Wells Fargo Bank, N.A.,  
Plaintiff,

VS.

Ronald R. Watkins and Ashland Plantation Property Owners  
Association, Inc.  
Defendant(s).

IN THE COURT OF COMMON PLEAS  
Docket No. 2010-CP-10-

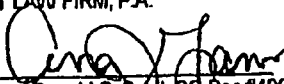
CERTIFICATE OF EXEMPTION/WITHDRAWAL FROM  
ARBITRATION

I CERTIFY THAT THIS ACTION IS EXEMPT FROM ARBITRATION BECAUSE:

- this is a special proceeding or action seeking extraordinary relief such as mandamus, habeas, corpus, or prohibition;
- this action is appellate in nature;
- this is a post-conviction relief matter;
- this is a contempt of court proceeding;
- this is forfeiture proceeding brought by the State; or
- this is a mortgage foreclosure action.

Date: August 24, 2010

SCOTT LAW FIRM, P.A.

By:   
Ronald C. Scott, SC Bar #4898  
Elizabeth A. Volk, SC Bar #11673  
Brett F. Kline, SC Bar #18881  
Angela J. Grant, SC Bar #78334  
Sara J. Volk, SC Bar #74822  
ATTORNEYS FOR THE PLAINTIFF  
2712 Middleburg Drive, Suite 200  
Columbia, SC 29204  
(803) 252-3340

NOTE: Motion must be presented to the court, a hearing held, and a finding made, for exemption or withdrawal from arbitration for "strong and compelling reason" sought pursuant to Rule 1(d), Rules of Circuit Court Arbitration.

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

Wells Fargo Bank, N.A.,

PLAINTIFF,

VS.

Ronald R. Watkins and Ashland Plantation  
Property Owners Association, Inc.

DEFENDANT(S).

IN THE COURT OF COMMON PLEAS

CASE NO. 2010-CP-10-

LIS PENDENS

BY

JULIE J. ARMSTRONG  
CLERK OF COURT

2010 AUG 26 AM 11:01

FILED

(101059.00069)

NOTICE IS HEREBY GIVEN that an action has been commenced by the Plaintiff above named against the Defendants above named for the foreclosure of a certain mortgage given by Ronald R. Watkins to World Savings Bank, FSB, dated June 15, 2007, recorded July 24, 2007, in the office of the Clerk of Court/Register of Deeds for Charleston County, in Book K633, at Page 214; Thereafter, World Savings Bank, FSB merged with Wachovia Bank, NA. with Wachovia Bank, NA. being the surviving entity. Thereafter, Wachovia Bank, NA. merged with Wells Fargo Bank, N.A. with Wells Fargo Bank, N.A. being the surviving entity.

NOTICE IS ALSO HEREBY GIVEN that an action has been commenced by the Plaintiff above named against the Defendants above named for the foreclosure of a certain mortgage given by Ronald R. Watkins to World Savings Bank, FSB, dated June 15, 2007, recorded July 24, 2007, in the office of the Clerk of Court/Register of Deeds for Charleston County, in Book K633, at Page 233; Thereafter, World Savings Bank, FSB merged with Wachovia Bank, NA. with Wachovia Bank, NA. being the surviving entity. Thereafter, Wachovia Bank, NA. merged with Wells Fargo Bank, N.A. with Wells Fargo Bank, N.A. being the surviving entity.

The description of the premises as contained in said mortgages are as follows:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND, WITH THE BUILDINGS AND IMPROVEMENTS THEREON OR TO BE BUILT THEREON, SITUATE LYING AND BEING IN THE COUNTY OF CHARLESTON, STATE OF SOUTH CAROLINA, KNOWN AND DESIGNATED AS LOT 3 BLOCK B, ASHLAND PLANTATION, AS SHOWN ON A PLAT ENTITLED "SUBDIVISION PLAT OF ASHLAND PLANTATION", PREPARED BY GEORGE A. Z. JOHNSON, JR., INC., DATED JULY 15, 1987 AND BEING DULY RECORDED IN THE R. M. C. OFFICE FOR CHARLESTON COUNTY IN PLAT BOOK BO, PAGE 91. THE SAID LOT


HAVING SUCH DISTANCES, COURSES, METES AND BOUNDS AS WILL BY REFERENCE TO SAID PLAT MORE FULLY APPEAR.

THIS BEING THAT PARCEL OF LAND CONVEYED FROM JOE FORD CONSTRUCTION, A LIMITED PARTNERSHIP TO RONALD R. WATKINS BY THAT DEED DATED OCTOBER 19, 1989 AND RECORDED OCTOBER 20, 1989 IN DEED BOOK C188 PAGE 284 IN THE REGISTER OF DEEDS OFFICE FOR CHARLESTON COUNTY.

TMS No. 356-01-00-041

Property address: 2363 Rice Pond Road  
Charleston, SC 29414

SCOTT LAW FIRM, P.A.

By:   
Ronald C. Scott, SC Bar #4998  
Elizabeth R. Polk, SC Bar #11673  
Brett F. Kline, SC Bar #15661  
Angella J. Grant, SC Bar #78334  
Sara J. Volk, SC Bar #74822  
ATTORNEYS FOR THE PLAINTIFF  
2712 Middleburg Drive, Suite 200  
Columbia, SC 29204  
(803) 252-3340

August 24, 2010

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

Wells Fargo Bank, N.A.,

PLAINTIFF,

VS.

Ronald R. Watkins and Ashland Plantation  
Property Owners Association, Inc.,

DEFENDANT(S).

(101059.00069)

IN THE COURT OF COMMON PLEAS

CASE NO. 2010-CP-10-

SUMMONS  
Foreclosure - Non-Jury

BY

JULIE J. ARMSTRONG  
CLERK OF COURT

2010 AUG 26 AM 11:01

FILED

TO THE DEFENDANT(S) ABOVE NAMED:

YOU ARE HEREBY SUMMONED and required to appear and defend by answer the Complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your Answer on the subscribers at their offices, 2712 Middleburg Drive, Suite 200, Post Office Box 2065, Columbia, South Carolina 29202, within thirty (30) days after the service hereof, exclusive of the day of such service; except that the United States of America, if named, shall have sixty (60) days to answer after the service hereof, exclusive of the day of such service; and if you fail to do so, judgment by default will be rendered against you for the relief demanded in the Complaint.

TO MINOR(S) OVER FOURTEEN YEARS OF AGE, AND/OR TO MINOR(S) UNDER FOURTEEN YEARS OF AGE AND THE PERSON WITH WHOM THE MINOR(S) RESIDES, AND/OR TO PERSONS UNDER SOME LEGAL DISABILITY:

YOU ARE FURTHER SUMMONED AND NOTIFIED to apply for the appointment of a guardian ad litem within thirty (30) days after the service of this Summons and Notice upon you. If you fail to do so, application for such appointment will be made by the Mortgagee immediately and separately and such application will be deemed absolute and total in the absence of your application for such an appointment within thirty (30) days after the service of the Summons and Complaint upon you.

YOU WILL ALSO TAKE NOTICE that under the provisions of South Carolina Code §29-3-100, effective June 16, 1993, any collateral assignment of rents contained in the mortgage identified in the Complaint is hereby perfected and Plaintiff hereby gives further notice that all rents shall be payable directly to it by delivery of the same to its undersigned attorneys from the

date of default forward. In the alternative, the Plaintiff will move a Judge of this Circuit Court on the tenth (10th) day after service hereof, or as soon as counsel for Plaintiff may be heard, for an Order enforcing the assignment of rents, if any, and/or profits, if any, compelling payments of all such funds covered by the mortgage and/or by status and/or by common law directly to the undersigned attorneys for the Plaintiff, which Motion is based upon the original Note and Mortgage identified in the Complaint therein and attached here to as well as any applicable laws, statutes or regulations.

YOU WILL ALSO TAKE NOTICE that should you fail to Answer the foregoing Summons, the Plaintiff will move for an Order of Reference of this cause to the Master-In-Equity or Special Referee in/for this County, which Order shall, pursuant to Rule 53 of the South Carolina Rules of Civil Procedure, specifically provide that the said Master In Equity or Special Referee is authorized and empowered to enter a final judgment in this cause with appeal only to the South Carolina Court of Appeals pursuant to Rule 203(d)(1) of the SCAR, effective June 1, 1999.

SCOTT LAW FIRM, P.A.

By:



Ronald C. Scott, SC Bar #4996

Elizabeth R. Polk, SC Bar #11673

Brett F. Kline, SC Bar #15661

Angella J. Grant, SC Bar #78334

Sara J. Volk, SC Bar #74822

ATTORNEYS FOR THE PLAINTIFF

2712 Middleburg Drive, Suite 200

Columbia, SC 29204

(803) 252-3340

August 24, 2010

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

Wells Fargo Bank, N.A.,

PLAINTIFF,

VS.

Ronald R. Watkins and Ashland Plantation  
Property Owners Association, Inc.,

DEFENDANT(S).

IN THE COURT OF COMMON PLEAS

CASE NO. 2010-CP-10-

COMPLAINT  
Foreclosure - Non-Jury  
(Deficiency waived)

BY

JULIE J. ARSTRONG  
CLERK OF COURT

2010 AUG 26 AM 11:01

FILED

(101059.00069)

The Plaintiff above named, complaining of the Defendant(s) herein, alleges that:

1. This is an action for foreclosure of a mortgage upon certain real estate in Charleston County, South Carolina.
2. Plaintiff is a corporation or other legal entity doing business in the State of South Carolina and is the current holder of the Note and Mortgage described herein.
3. The servicer for the mortgage loan described in this foreclosure action is participating in the Home Affordable Modification Program (HMP), but the HMP process as specified by U.S. Treasury Department's Supplemental Directive 09-01 has been completed without resulting in a modification by virtue of the property not being owner occupied.
4. Some lien on or interest in the real estate, the subject of this action, may be claimed by the Defendant(s) herein.
5. The Defendant(s) herein described as judgment creditors have by filing said judgments designated their attorney entering the judgment as their agent for service of process under the provisions of Section 15-35-840 of the Code of Laws of South Carolina (1976).

**FOR A FIRST CAUSE OF ACTION**

**(Foreclosure of First Mortgage)**

6. Paragraphs 1 through 5 are incorporated herein by reference as if set forth verbatim.
7. Heretofore, under date of June 15, 2007, Ronald R. Watkins made, executed and delivered to World Savings Bank, FSB a certain first mortgage note ("First Note") in writing wherein and whereby Ronald R. Watkins promised to pay to World Savings Bank, FSB the principal sum of \$398,000.00.

8. In order to secure the payment of said first note, the said Ronald R. Watkins did on the same date, to-wit, June 15, 2007, make execute and deliver to World Savings Bank, FSB, its successors and assigns, a certain first mortgage ("First Mortgage") covering real property located in the County and State aforesaid, which said first mortgage was recorded in the Office of the Clerk of Court/Register of Deeds for Charleston County, on July 24, 2007, in Book K633, at Page 214; Thereafter, World Savings Bank, FSB merged with Wachovia Bank, NA. with Wachovia Bank, NA. being the surviving entity. Thereafter, Wachovia Bank, NA. merged with Wells Fargo Bank, N.A. with Wells Fargo Bank, N.A. being the surviving entity.

The description of the premises as contained in said mortgage is as follows:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND, WITH THE BUILDINGS AND IMPROVEMENTS THEREON OR TO BE BUILT THEREON, SITUATE LYING AND BEING IN THE COUNTY OF CHARLESTON, STATE OF SOUTH CAROLINA, KNOWN AND DESIGNATED AS LOT 3 BLOCK B, ASHLAND PLANTATION, AS SHOWN ON A PLAT ENTITLED "SUBDIVISION PLAT OF ASHLAND PLANTATION", PREPARED BY GEORGE A. Z. JOHNSON, JR., INC., DATED JULY 15, 1987 AND BEING DULY RECORDED IN THE R. M. C. OFFICE FOR CHARLESTON COUNTY IN PLAT BOOK 80, PAGE 91. THE SAID LOT HAVING SUCH DISTANCES, COURSES, METES AND BOUNDS AS WILL BY REFERENCE TO SAID PLAT MORE FULLY APPEAR.

THIS BEING THAT PARCEL OF LAND CONVEYED FROM JOE FORD CONSTRUCTION, A LIMITED PARTNERSHIP TO RONALD R. WATKINS BY THAT DEED DATED OCTOBER 19, 1989 AND RECORDED OCTOBER 20, 1989 IN DEED BOOK C188 PAGE 294 IN THE REGISTER OF DEEDS OFFICE FOR CHARLESTON COUNTY.

TMS No. 356-01-00-041

Property address: 2363 Rice Pond Road  
Charleston, SC 29414

9. Plaintiff is informed and believes that its first mortgage herein described constitutes a first mortgage lien on the subject real estate and improvements thereon, including any mobile home located thereon. Plaintiff would further allege and avail itself of the Purchase Money Mortgage Doctrine as may apply to the facts of this action as well as the After Acquired Property Doctrine.

10. That the Plaintiff and/or its counsel have complied with its obligation(s) as required under the specific terms of the First Note and First Mortgage being foreclosed as well as any applicable Federal or State statutes or regulations including but not limited to, the furnishing of any notices required to be given to the obligor(s) which gives to such person(s) the right to cure any default arising under the specific terms of the recited First Note and First Mortgage herein; and the review of this first mortgage loan for compliance with the Home Affordability Modification Program (HMP), if applicable.

11. In and by the terms of said first note and the first mortgage securing the same, it is provided, among other things, that on failure to pay any installment of either principal and interest 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 interest shall at the option of the legal holder thereof become at once due and payable without notice, and collectible by foreclosure.

12. In and by the terms of the said first note it is further provided that the maker thereof shall pay a reasonable attorney's fee if the first note be placed in the hands of an attorney for collection after default. Any notice or compliance required by the terms of the First Mortgage or by state or federal statutes has been given or complied with prior to the commencement of this action and the Defendants shall be forever barred from raising such notice or compliance.

13. The installments of principal and interest falling due from and after September 1, 2009 have not been paid although demand for the payment thereof has been made and the Plaintiff, as the holder of the said first note and first mortgage, has and does hereby elect to declare the entire balance of said principal and interest due and payable at once; that there is now due and owing and unpaid upon the said first note and first mortgage the full and just principal sum of \$416,718.50, together with interest thereon at the rate of 7.20000% percent per annum from August 1, 2009, together with reasonable attorney's fees for the collection thereof and the costs of this action. Pursuant thereto, the Plaintiff has employed the undersigned legal counsel to prosecute these actions herein and add the fees and costs of said counsel to the amount of the total debt as provided for in the First Note and First Mortgage.

**FOR A SECOND CAUSE OF ACTION**  
**(Foreclosure of Second Mortgage)**

14. Paragraphs 1 through 13 are incorporated herein by reference as if set forth verbatim.

15. Heretofore, under date of June 15, 2007, Ronald R. Watkins made, executed and delivered to World Savings Bank, FSB a certain second mortgage note ("Second Note") in writing wherein and whereby Ronald R. Watkins promised to pay to World Savings Bank, FSB the principal sum of \$49,200.00.

16. In order to secure the payment of said second note, the said Ronald R. Watkins did on the same date, to-wit, June 15, 2007, make execute and deliver to World Savings Bank, FSB, its successors and assigns, a certain second mortgage ("Second Mortgage") covering real property located in the County and State aforesaid as described in Paragraph 8, supra. Said

second mortgage was recorded in the Office of the Clerk of Court/Register of Deeds for Charleston County, on July 24, 2007, in Book K633, at Page 233; Thereafter, World Savings Bank, FSB merged with Wachovia Bank, NA. with Wachovia Bank, NA. being the surviving entity. Thereafter, Wachovia Bank, NA. merged with Wells Fargo Bank, N.A. with Wells Fargo Bank, N.A. being the surviving entity.

17. Plaintiff is informed and believes that its second mortgage herein described constitutes a second mortgage lien on the subject real estate and improvements thereon, including any mobile home located thereon. Plaintiff would further allege and avail itself of the Purchase Money Mortgage Doctrine as may apply to the facts of this action as well as the After Acquired Property Doctrine.

18. That the Plaintiff and/or its counsel have complied with its obligation(s) as required under the specific terms of the Second Note and Second Mortgage being foreclosed as well as any applicable Federal or State statutes or regulations including but not limited to, the furnishing of any notices required to be given to the obligor(s) which gives to such person(s) the right to cure any default arising under the specific terms of the recited Second Note and Second Mortgage herein; and the review of this second mortgage loan for compliance with the Home Affordability Modification Program (HMP), if applicable.

19. In and by the terms of said second note and the second mortgage securing the same, it is provided, among other things, that on failure to pay any installment of either principal and interest 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 interest shall at the option of the legal holder thereof become at once due and payable without notice, and collectible by foreclosure.

20. In and by the terms of the said second note it is further provided that the maker thereof shall pay a reasonable attorney's fee if the second note be placed in the hands of an attorney for collection after default. Any notice or compliance required by the terms of the Mortgage or by state or federal statutes has been given or complied with prior to the commencement of this action and the Defendants shall be forever barred from raising such notice or compliance.

21. The installments of principal and interest falling due from and after September 15, 2009 have not been paid although demand for the payment thereof has been made and the Plaintiff, as the holder of the said second note and second mortgage, has and does hereby elect to declare the entire balance of said principal and interest due and payable at once; that there is now due and owing and unpaid upon the said second note and second mortgage the full and


just principal sum of \$46,309.29, together with interest thereon at the rate of 5.44300% percent per annum from August 15, 2009, together with reasonable attorney's fees for the collection thereof and the costs of this action. Pursuant thereto, the Plaintiff has employed the undersigned legal counsel to prosecute these actions herein and add the fees and costs of said counsel to the amount of the total debt as provided for in the Second Note and Second Mortgage.

**AS TO BOTH CAUSES OF ACTION**

22. Paragraphs 1 through 21 are incorporated herein by reference as if set forth verbatim.

23. Upon information and belief, the Defendants below named claim or may claim a subordinate lien or junior interest upon or interest in the subject property, and in the event there is a surplus from the sale of the subject property, the validity, priority and amount of any such lien claim will be determined at a hearing subsequent to the sale, in accordance with the Circuit Court Rules 53 and/or 71. The subject Defendant are further made a party due to the similarity in name(s) to the primary defendants against whom they claim or may claim a lien and in order to clear title to this property as follows:

(a) The Defendant, Ashland Plantation Property Owners Association, Inc., by virtue of any lien or enforceable assessments against the subject property.

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

25. Plaintiff may be forced to pay sums for taxes and insurance and costs for securing the property, which sums, according to the terms of the Mortgage, should be added to the amount of the debt.

26. In the event the subject property is sold at Judicial Sale and the successful bidder is a third party, neither the Plaintiff nor Plaintiff's counsel make any warranties or representations as to the subject property on behalf of the third party bidder.

WHEREFORE, having fully set forth its Complaint, Plaintiff prays that this Honorable Court inquire into the matters as set forth herein and that:

1. The amount due upon the said notes and mortgages held by the Plaintiff be ascertained and determined under the direction of this Court, together with attorney's fees and the costs of this action.

2. Plaintiff's mortgages be declared a first and second lien (and purchase money mortgage first lien as does apply under the specific facts of this action as well as the

**NOTICE REQUIRED BY THE FAIR DEBT COLLECTION PRACTICES ACT**  
15 U.S.C. Section 1692, *et seq.*

1. The amount of the debt for the first note and mortgage as of September 1, 2009, is the principal sum of \$416,718.50, with interest from August 1, 2009, advances, late charges, and the costs and disbursements of this action, including attorney's fees.
2. The Creditor to whom the debt is owed is Wells Fargo Bank, N.A., who is authorized to receive payment on your loan.
3. The debt described in this notice will be assumed to be valid by the Creditor's law firm unless you, the Debtor, within thirty (30) days after receipt of this notice, dispute 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 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 this notice is different from the original Creditor, and if you, the Debtor, make a written request to the Creditor's law firm within 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. This notice should not be construed as a thirty (30) day grace period. If, in writing, you request proof of the debt or the name and address of the original creditor within the thirty (30) day period that begins with your receipt of this notice, the law requires the Creditor's law firm to suspend its efforts (through litigation or otherwise) to collect the debt until the Creditor's law firm mails the requested information to you.
7. This notice pertains to your dealings with the Creditor's law firm as a debt collector. It does not affect your dealings with the court, and in particular it does not change the time by which you must answer the complaint if we serve one on you. The summons is a command from the court, not from the Creditor's law firm, and you would have to follow its instructions even if you dispute the validity or amount of the debt. The advice in this notice also does not affect the Creditor's law firm's relations with the court. The Creditor's law firm may file papers in any such suit according to the court's rules and the judge's instructions.
8. **THIS IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.** The information provided in paragraphs 1 and 2 above has been provided to us by the Creditor or Servicer. At this point in time, no attorney with this firm has personally reviewed the particular circumstances of your account. If you have previously received a discharge in bankruptcy, this notice is not and should not be construed as an attempt to collect a debt but only as an attempt to enforce a lien.

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

IN THE COURT OF COMMON PLEAS  
FOR THE NINTH JUDICIAL CIRCUIT  
2010-CP-10-6945

Wells Fargo Bank, N.A., )  
 )  
PLAINTIFF, )

**ANSWER AND COUNTERCLAIMS**

v. )

Jury Trial Demanded

Ronald R. Watkins and Ashland Plantation )  
Property Owners Association, Inc., )

DEFENDANT(S). )

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2010 SEP -1 AM 11:20  
CLERK OF COURT

COMES NOW the Defendant Ronald R. Watkins denying each and every allegation of the Plaintiff's Complaint not hereinafter specifically admitted, qualified, or explained, demanding strict proof thereof. Specifically reserving and without waiving all objections, defenses, and rights responds to the Plaintiff's Complaint as follows:

1. The Defendant, on information and belief, admits the allegations contained in Paragraph 1 of Plaintiff's Complaint.
2. The Defendant admits only that the Plaintiff is a corporation or other legal entity doing business in the State of South Carolina and is without sufficient information to either admit or deny the remaining allegations contained in Paragraphs 2 and 3 of the Plaintiff's Complaint, and therefore deny the remaining allegations and demands strict proof thereof.
3. The Defendant, on information and belief, admits the allegations contained in Paragraphs 4 and 5 of the Plaintiff's Complaint.
4. As it relates to Paragraph 6 of the Plaintiff's Complaint, no response is required and to the extent a response is required the Defendant denies the allegations and demands strict proof

thereof.

5. The Defendant, on information and belief, admits the allegations contained in Paragraphs 7 and 8 of the Plaintiff's Complaint.

6. The Defendant is without sufficient information to either admit or deny the allegations contained in Paragraphs 9, 10, 11, 12, and 13 of the Plaintiff's Complaint, and therefore deny the remaining allegations and demands strict proof thereof.

7. As it relates to Paragraph 14 of the Plaintiff's Complaint, no response is required and to the extent a response is required the Defendant denies the allegations and demands strict proof thereof.

8. The Defendant, on information and belief, admits the allegations contained in Paragraphs 15 and 16 of the Plaintiff's Complaint.

9. The Defendant is without sufficient information to either admit or deny the allegations contained in Paragraphs 17, 18, 19, 20, and 21 of the Plaintiff's Complaint, and therefore deny the remaining allegations and demands strict proof thereof.

10. As it relates to Paragraph 22 of the Plaintiff's Complaint, no response is required and to the extent a response is required the Defendant denies the allegations and demands strict proof thereof.

11. The Defendant is without sufficient information to either admit or deny the allegations contained in Paragraph 23 of the Plaintiff's Complaint, and therefore deny the remaining allegations and demands strict proof thereof.

12. The Defendant, on information and belief, admits the allegations contained in Paragraph 24 of the Plaintiff's Complaint.

13. The allegations contained in Paragraphs 25 and 26 of the Plaintiff's Complaint, which

are legal conclusions, require neither an admission nor a denial from the Defendant, and to the extent a response is required from the Defendant, the Defendant denies all remaining allegations of said Paragraphs and demands strict proof thereof.

**FURTHER ANSWERING SAID COMPLAINT AND AS A  
MOTION THERETO,  
THE DEFENDANT ALLEGES AND SAYS:**

**FOR A FIRST MOTION  
(Motion to Dismiss 12(b)(6))**

14. The Plaintiff has failed to state facts sufficient to constitute a cause of action against the Defendant.

**FURTHER ANSWERING SAID COMPLAINT AND AS FURTHER AND  
AFFIRMATIVE DEFENSES THERETO,  
THIS DEFENDANT ALLEGES AND SAYS:**

**FOR A FIRST AFFIRMATIVE DEFENSE  
(Laches)**

15. The Defendant pleads the doctrine of laches as a complete bar to the Plaintiff's claims.

**FOR A SECOND AFFIRMATIVE DEFENSE  
(Waiver)**

16. The Defendant pleads the doctrine of waiver as a complete bar to the Plaintiff's claims.

**FOR A THIRD AFFIRMATIVE DEFENSE  
(Estoppel)**

17. That by the Plaintiff's actions, it is estopped and/or has waived any rights it has against the Defendant.

**FOR A FOURTH AFFIRMATIVE DEFENSE**  
**(Mitigation of Damages)**

18. The Plaintiff has failed to exercise reasonable diligence in mitigating the damages it claims to have suffered at the hands of the Defendant.

**FOR A FIFTH AFFIRMATIVE DEFENSE**  
**(Incorrect Accounting)**

19. Defendant would possibly show that if any sums are owed to Plaintiff then the amount owed is other than as stated in the Complaint; consequently, this Court should make a complete accounting of all sums allegedly due under the instruments referenced in the Complaint.

**FOR A SIXTH AFFIRMATIVE DEFENSE**  
**(Standing)**

20. The Plaintiff lacks standing to assert claims against the Defendant.

**FOR A SEVENTH AFFIRMATIVE DEFENSE**  
**(Comparative Negligence)**

21. Upon information and belief, the injuries, damages, and/or losses (if any, which the Defendant strictly denies) sustained by Plaintiff was directly and proximately caused by and contributed to by Plaintiff's own negligence and comparative fault, and therefore its recovery (if any, which the Defendant strictly denies) should be diminished, reduced, offset, or barred in accordance with the principles of comparative fault.

**FOR A EIGHTH AFFIRMATIVE DEFENSE**  
**(Unclean Hands)**

22. The Defendant pleads the doctrine of unclean hands as a defense and bar to all of Plaintiff's claims, as upon information and belief, Plaintiff closed the subject matter loan without adherence to applicable South Carolina ethics and law requiring the supervision of a licensed South Carolina attorney over the closing and as found within the doctrines, including but not limited to,

those of Matrix Financial Services Corporation v. Frazer, Op. No. 26859 (August 16, 2010); Wachovia Bank v. Coffey, Op. No. 4685, 2010 WL 1904876 (S.C. Ct. App. May 6, 2010); Doe v. McMaster, 355 S.C. 306, 585 S.E.2d 773 (2003); State v. Buyers Serv. Co., 292 S.C. 426, 357 S.E. 2d 15 (1987); In the Matter of Arsi, 357 S.C. 8, 591 S.E.2d 627 (2004); In the Matter of Pstrak, 357 S.C. 1, 591 S.E.2d 623 (2003); and In the Matter of Boyce, 364 S.C. 353, 613 S.E.2d 538 (2001).

**FOR A NINTH AFFIRMATIVE DEFENSE**  
**(Lack of Control)**

23. The Defendant would show upon information and belief that any damages or injuries, if any, are due to acts and/or omissions not within the employ or control of the Defendant and therefore the Plaintiff cannot recover from the Defendant in any sum whatsoever.

**FOR A TENTH AFFIRMATIVE DEFENSE**  
**(Negligence of Others)**

24. That the Defendant would allege and show that any injury and damage, if any, was proximately caused by the intervening and superseding acts of negligence, willfulness and gross negligence of parties and/or non-parties other than this Defendant.

**FOR A ELEVENTH AFFIRMATIVE DEFENSE**  
**(Sole Negligence)**

25. That whatever injuries or damages incurred by the Plaintiff, if any, were due to, caused by and were the direct and proximate result of the sole negligence, recklessness, willfulness, and wantonness of the Plaintiff.

**FOR A TWELFTH AFFIRMATIVE DEFENSE**  
**(Reservation/Non-Waiver)**

26. Defendant specifically reserves and does not waive any additional or further defenses as may be revealed by additional information obtained in discovery or otherwise.

**FURTHER ANSWERING SAID COMPLAINT  
AND AS COUNTERCLAIMS THERETO,  
THE DEFENDANT ALLEGES AND SAYS:**

**ALLEGATIONS COMMON TO COUNTERCLAIMS**

**PARTIES**

**COUNTERCLAIM PLAINTIFF (hereinafter "Defendant")**

27. Upon information and belief, Ronald R. Watkins is a citizen and resident of Charleston County and is the borrower/debtor related to the subject matter loans involving the subject matter property.

**COUNTERCLAIM DEFENDANT (herinafter "Plaintiff")**

28. Upon information and belief, Well Fargo Bank, N.A. is a banking institution conducting business in the State of South Carolina.

**JURISDICTION/VENUE**

29. The Counterclaims arose in the Plaintiff's and Defendant's conducting of business in Charleston County within the jurisdiction of this Court pursuant to the applicable subparts of South Carolina Code § 15-7-30 and § 36-2-803.

30. The Charleston County Court of Common Pleas, Ninth Judicial Circuit, is the proper venue for this matter.

**COMMON FACTS TO COUNTERCLAIMS**

31. Upon information and belief, the Plaintiff conducted the subject matter loan closings for both the first and second mortgage by way of the unlicensed practice of law, including but not limited to in closing the loans without the supervision or the limited supervision of an attorney and/or as a witness only closing, performed and held the closings at a Wachovia Bank branch, to which the bank oversaw and performed, including but not limited to the disbursement of funds,

preparation and recording of documents, and conducting of the title abstract.

**FOR A FIRST COUNTERCLAIM**  
**(Declaratory Judgment)**

32. Defendant realleges and incorporates herein by reference the allegations set forth above.

33. The conducting of real estate closings in the State of South Carolina requires the actual presence and supervision of a South Carolina licensed attorney at the closing table and in accordance with those duties, including but not limited to the preparation and recording of closing documents, title abstracts, disbursement of funds, and the closing itself must be overseen and performed by a South Carolina licensed attorney.

34. The presence of any other individual, who is not a South Carolina licensed attorney, supervising the real estate closing, preparing and recording closing documents, performing title abstracts, and disbursing of funds without the oversight and conduct by a South Carolina licensed attorney constitutes the unlicensed practice of law.

35. The Plaintiff has engaged in these above-mentioned activities, and the Plaintiff had a duty to comply with the rules governing the practice of law and breached this duty by failing to comply with the same.

36. The Defendant's unlicensed practice of law constitutes unclean hands, which prohibits the Defendant's recovery in this matter in both equity and law.

37. Therefore, the subject matter loans are void *per se*, as said loans were not closed pursuant to applicable South Carolina case law, ethics opinions, and rules governing the practice of law in the State of South Carolina.

**FOR A SECOND COUNTERCLAIM**  
**(South Carolina Unfair Trade Practices Act)**

38. The Defendant realleges and incorporates herein by reference the allegations set forth above.

39. The conducting of "trade or commerce" in the State of South Carolina is defined by South Carolina Code § 39-5-10, *et seq.*

40. The Plaintiff's above-described willful unfair and deceptive acts and practices in the conduct of trade or commerce resulted in a violation of the South Carolina Unfair Trade Practices Act Section 39-5-10, *et seq.*, as these acts occurred during an act of business affecting trade and commerce in the State of South Carolina and is against public policy, immoral, unethical, and/or oppressive.

41. The Plaintiff's above-described actions/inactions were willful violations of the South Carolina Unfair Trade Practices Act.

42. The Defendant suffered damages, attorney fees, and court costs and expenses as a result of these violations.

43. Furthermore, the Plaintiff's actions are not in the public interest and arguably directly and/or indirectly impact the public interest.

44. The possibility that these willful acts may in the future be repeated by the Plaintiff with other South Carolina businesses and/or individuals is an impact upon the public interest, which must be protected.

45. The Plaintiff's willful actions/inactions are immoral, unethical, and/or oppressive.

46. The Defendant is entitled to recovery of damages, including but not limited to actual damages, treble damages, attorney fees, and court costs and expenses from the Plaintiff's unlawful

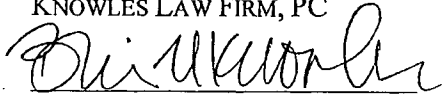
acts in violation of the South Carolina Unfair Trade Practices Act.

**WHEREFORE** having answered the Plaintiff's Complaint, the Defendant demanding a trial by jury, prays for the following:

- A. An order of this Court dismissing the Complaint of the Plaintiff with prejudice and entering a judgment in favor of the Defendant;
- B. Awarding the Defendant reasonable costs and attorney's fees;
- C. Assessing all costs of this action to the Plaintiff;
- D. On the Counterclaims, award the Defendant any and all appropriate damages, including voiding the two subject matter mortgages pursuant to the doctrine of unclean hands of the Plaintiff;
- E. And for such other and further relief as this Court may deem just and proper.

Respectfully submitted,

KNOWLES LAW FIRM, PC



BRIAN M. KNOWLES

P.O. Box 50201

Summerville, SC 29485

T: (843) 810-7596

F: (843) 747-1118

bknowles.lawfirm@gmail.com

Summerville, South Carolina  
August 31, 2010

Attorney for Defendant Ronald R. Watkins

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

IN THE COURT OF COMMON PLEAS

Wells Fargo Bank, N.A., )

Civil Action No. 2010-CP-10-6945

Plaintiff, )

**REPLY TO ANSWER  
AND COUNTERCLAIMS**

vs. )

Ronald R. Watkins and Stefan Acres )  
Property Owners Association, Inc., )

Defendants. )  
\_\_\_\_\_ )

2010 DEC 13 AM 11:10  
JULIE J. ARMSTRONG  
CLERK OF COURT  
BY \_\_\_\_\_

FILED

Plaintiff Wells Fargo Bank, N.A. hereby responds to the Answer and Counterclaims of Defendant Ronald R. Watkins as follows:

**FIRST DEFENSE**

1. Plaintiff does not believe that a response is required to Paragraphs 1 through 26 of the Answer and Counterclaims. To the extent that a response is deemed necessary, Plaintiff denies all allegations inconsistent with its Complaint and this Reply.

2. Plaintiff admits the allegations contained in Paragraphs 27 and 28 of the Answer and Counterclaims.

3. Responding to Paragraph 29 of the Answer and Counterclaim, Plaintiff denies the merits of Defendant's counterclaims, but admits that this Court has jurisdiction of this proceeding.

4. Plaintiff admits the allegations contained in Paragraph 30 of the Answer and Counterclaim.

5. Plaintiff denies the allegations contained in Paragraph 31 of the Answer and Counterclaim.

6. Responding to Paragraph 32 of the Answer and Counterclaim, Plaintiff realleges and incorporates herein the responses contained in Paragraphs 1 through 5 above.

7. Paragraphs 33 and 34 of the Answer and Counterclaim contain statements of law, to which no response is required. To the extent that a response is deemed necessary, Plaintiff denies all allegations inconsistent with its Complaint and this Reply.

8. Plaintiff denies the allegations contained in Paragraphs 35, 36, and 37 of the Answer and Counterclaim.

9. Responding to Paragraph 38 of the Answer and Counterclaim, Plaintiff realleges and incorporates herein the responses contained in Paragraphs 1 through 8 above.

10. Paragraph 39 of the Answer and Counterclaim contains a statement of law, to which no response is required. To the extent that a response is deemed necessary, Plaintiff denies all allegations inconsistent with its Complaint and this Reply.

11. Plaintiff denies the allegations contained in Paragraphs 40, 41, 42, 43, 44, 45, and 46 of the Answer and Counterclaim.

#### **SECOND DEFENSE**

12. The Answer and Counterclaim fails to state a claim against Plaintiff upon which relief can be granted.

#### **THIRD DEFENSE**

13. Any allegation of the Answer and Counterclaim not admitted, qualified or explained is denied.

**FOURTH DEFENSE**

14. Defendant's claims are barred by the applicable statutes of limitations.

WHEREFORE, Plaintiff prays for the relief demanded in its Complaint, that the claims against it be dismissed with prejudice, for the fees and costs incurred in responding to the Answer and Counterclaim, and for such other and further relief as the Court may deem just and proper.

McANGUS, GOUDELOCK & COURIE, LLP

By: 

Thomas E. Lydon  
700 Gervais Street, Suite 300  
Post Office Box 12519  
Columbia, South Carolina 29211  
(803) 779-2300


December 9, 2010

Attorneys for Wells Fargo Bank, N.A.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this 9th day of December, 2010, served a copy of the Reply of Wells Fargo Bank, N.A., by mailing a copy of same, postage prepaid, in the United States mail, with sufficient postage affixed as follows:

Brian M. Knowles, Esquire  
Knowles Law Firm, PC  
Post Office Box 50201  
Summerville, SC 29485

  
Thomas E. Lydon

2010 DEC 13 AM 11:10  
JULIE J. ARMSTRONG  
CLERK OF COURT  
BY \_\_\_\_\_

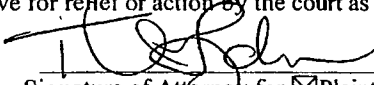
FILED

STATE OF SOUTH CAROLINA )  
 )  
 COUNTY OF CHARLESTON )  
 )  
 Wells Fargo Bank, NA )  
 Plaintiff )  
 )  
 v. )  
 )  
 Ronald Watkins, Et Al. )  
 Defendant. )

IN THE COURT OF COMMON PLEAS

CASE NO.  
 10-CP-10-6945

MOTION AND ORDER INFORMATION  
 FORM AND COVER SHEET

Plaintiff's Attorney: Thomas E. Lydon, Bar No. 10242 Address: PO Box 12519, Columbia, SC phone: 803-779-2300 fax: 803-748-0526 e-mail: tlydon@mgclaw.com other:	Defendant's Attorney: Brian M. Knowles, Bar No. Address: 1212 Wappoo Road, Charleston, SC 29407 phone: fax: e-mail: other:
<input checked="" type="checkbox"/> <b>MOTION HEARING REQUESTED (attach written motion and complete SECTIONS I and III)</b> <input type="checkbox"/> <b>FORM MOTION, NO HEARING REQUESTED (complete SECTIONS II and III)</b> <input type="checkbox"/> <b>PROPOSED ORDER/CONSENT ORDER (complete SECTIONS II and III)</b>	
<b>SECTION I: Hearing Information</b>	
Nature of Motion: Motion for Summary Judgment Estimated Time Needed: 20 minutes Court Reporter Needed: <input checked="" type="checkbox"/> YES / <input type="checkbox"/> NO	
<b>SECTION II: Motion/Order Type</b>	
<input checked="" type="checkbox"/> Written motion attached <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Plaintiff / <input type="checkbox"/> Defendant	September 18, 2013 Date submitted
<b>SECTION III: Motion Fee</b>	
<input checked="" type="checkbox"/> PAID - AMOUNT: 25.00 <input type="checkbox"/> EXEMPT: <input type="checkbox"/> Rule to Show Cause in Child or Spousal Support (check reason) <input type="checkbox"/> Domestic Abuse or Abuse and Neglect <input type="checkbox"/> Indigent Status <input type="checkbox"/> State Agency v. Indigent Party <input type="checkbox"/> Sexually Violent Predator Act <input type="checkbox"/> Post-Conviction Relief <input type="checkbox"/> Motion for Stay in Bankruptcy <input type="checkbox"/> Motion for Publication <input type="checkbox"/> Motion for Execution (Rule 69, SCRCPP) <input type="checkbox"/> 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: <input type="checkbox"/> Other:	
<b>JUDGE'S SECTION</b> <input type="checkbox"/> Motion Fee to be paid upon filing of the attached order. <input type="checkbox"/> Other:	JUDGE _____ CODE: _____ Date: _____
<b>CLERK'S VERIFICATION</b>	
Collected by: _____ Date Filed: _____	
<input type="checkbox"/> MOTION FEE COLLECTED: _____ <input type="checkbox"/> CONTESTED - AMOUNT DUE: _____	

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

Wells Fargo Bank, N.A., )  
Plaintiff, )

vs. )

Ronald R. Watkins and Stefan Acres )  
Property Owners Association, Inc., )  
Defendants: )

IN THE COURT OF COMMON PLEAS  
FOR THE NINTH JUDICIAL CIRCUIT

Civil Action No. 2010-CP-10-6945

**MOTION FOR SUMMARY JUDGMENT**

FILED  
2013 SEP 20 PM 1:49  
JULIE J. ARMSTRONG  
CLERK OF COURT  
BY \_\_\_\_\_

**TO: BRIAN M. KNOWLES, ESQUIRE, ATTORNEY FOR  
DEFENDANT RONALD R. WATKINS**

You will please take notice that on the tenth (10<sup>th</sup>) day after service hereof, or as soon thereafter as may be scheduled, the undersigned will move before the Honorable Mikell Scarborough, Charleston County Master in Equity, for an Order granting summary judgment on the Plaintiff's Complaint. The basis for this motion is that there is no genuine issue as to any material fact in the case, and Plaintiff is entitled to judgment as a matter of law.

This motion will be based upon Rule 56 of the South Carolina Rules of Civil Procedure, applicable statutory and case law, the pleadings in this matter, the Affidavit of Michael Dolan, and such other affidavits and materials as may be presented to the Court.

McANGUS, GOUDELOCK & COURIE, LLC

By: \_\_\_\_\_


Thomas E. Lydon  
1320 Main Street, 10<sup>th</sup> Floor  
Post Office Box 12519  
Columbia, South Carolina 29211  
Attorneys for Plaintiff

September 18, 2013

**CERTIFICATE OF SERVICE**

I hereby certify that I have this 18<sup>th</sup> day of September, 2013, served a copy of Plaintiff's Motion for Summary Judgment and the Affidavit of Michael Dolan by mailing copies of same, postage prepaid, in the United States mail, with sufficient postage affixed as follows:

Brian M. Knowles, Esquire  
1212 Wappoo Road  
Charleston, SC 29407

  
\_\_\_\_\_  
Thomas E. Lydon

FILED  
2013 SEP 20 PM 1:49  
JULIE J. ARMSTRONG  
CLERK OF COURT  
BY \_\_\_\_\_

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )  
 )  
Wells Fargo Bank, N.A., )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
Ronald R. Watkins and Stefan Acres )  
Property Owners Association, Inc., )  
 )  
Defendants. )  
\_\_\_\_\_ )

IN THE COURT OF COMMON PLEAS  
FOR THE NINTH JUDICIAL CIRCUIT

Civil Action No. 2010-CP-10-6945

AFFIDAVIT OF MICHAEL DOLAN

FILED  
2009 SEP 20 PM 1:50  
JULIE J. ARMSTRONG  
CLERK OF COURT

Personally appeared before me Michael Dolan who, being duly sworn,  
deposes and says that:


1. I am a Research and Mediation Manager for Plaintiff.
2. In my capacity as Research and Mediation Manager for Plaintiff, I familiar with the loan that is the subject of the above-captioned action, and I have access to the records concerning the transaction and the related litigation. This affidavit is based on knowledge and information obtained from Plaintiff's records.
3. The real estate that is the subject of this action is located at 2363 Rice Pond Road, Charleston, South Carolina.
4. The first mortgage loan that is the subject of this foreclosure action is evidenced by a promissory note and mortgage dated June 15, 2007, in the original principal amount of \$398,000.00. The account number for this loan is 0046306056.
5. The last payment on the first mortgage loan was received for the payment due August 1, 2009 and was in the amount of \$1,688.54. No other payments have been received since that date.

6. As of August 31, 2013, the principal balance due and owing on the first mortgage loan is \$416,718.50 and the accrued interest is \$122,515.24

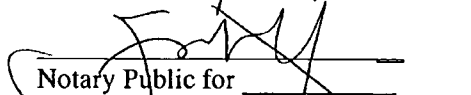
7. The second mortgage loan that is the subject of this foreclosure action is evidenced by a promissory note and mortgage dated June 15, 2007, in the original principal amount of \$49,200.00. The account number for this loan is 0046362257.

8. The last payment on the second mortgage loan was received for the payment due August 15, 2009 and was in the amount of \$218.01 No other payments have been received since that date.

9. As of August 31, 2013, the principal balance due and owing on the second mortgage loan is \$46,309.29 and the accrued interest is \$7,303.66

  
\_\_\_\_\_  
Michael Dolan

SWORN to before me this  
9<sup>th</sup> day of September, 2013

  
\_\_\_\_\_  
Notary Public for \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

JOANNE M. BELLUCCI  
NOTARY PUBLIC  
STATE OF NEW JERSEY  
My Commission Expires May 04, 2014

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON
	)	PLEAS
COUNTY OF CHARLESTON	)	FOR THE NINTH JUDICIAL CIRCUIT
	)	2010-CP-10-6945
Wells Fargo Bank, N.A.,	)	
	)	
PLAINTIFF,	)	
	)	
v.	)	<b><u>RESPONSE IN OPPOSITION OF</u></b>
	)	<b><u>PLAINTIFFS' MOTION FOR</u></b>
	)	<b><u>SUMMARY JUDGMENT</u></b>
	)	
Ronald R. Watkins and Ashland Plantation	)	
Property Owners Association, Inc.,	)	
	)	
DEFENDANT(S).	)	

TO: THOMAS E. LYDON, ATTORNEY FOR PLAINTIFF.

**INTRODUCTION**

Defendant Ronald R. Watkins, by and through his undersigned attorney, hereby files this reply in opposition of Plaintiff's Motion for Summary Judgment.

**FACTUAL BACKGROUND**

Defendant Ronald R. Watkins incorporates by reference any and all factual allegations found within the filed pleadings. On or about June 22, 2007, the subject matter loans, a first Mortgage in the amount of \$398,000.00 along with a simultaneous second Mortgage line of credit in the amount of \$49,200.00, were closed at a Wachovia branch location in Charleston, South Carolina. Upon information and belief, Plaintiff contracted with National Settlement Services, a title agency company which routinely provides real estate loan closing services, to perform the subject matter loan closings, including but not limited to, preparing the preliminary and final title insurance policies, performing the title abstract, preparing the legal documents, recording legal documents, obtaining payoffs, and disbursing funds. Each of these actions undertaken by National Settlement

Services, on behalf of the Plaintiff and at the Plaintiff's direction, constitutes the unauthorized practice of law, as established by a long line of South Carolina cases evolving since 1987. For decades, Lenders have been on notice of the requirements and guidelines established by the Supreme Court of South Carolina regarding real estate loan closings and how to avoid engaging in the unauthorized practice of law. In a line of recent cases since 2010, the South Carolina Supreme Court has made it abundantly clear that if a lender engages in the unauthorized practice of law, that the lenders' Note and Mortgage are invalid and unenforceable in law or equity. At a prior motion hearing in this matter, Counsel for the Plaintiff previously stipulated that the loans were closed as "witness only" closings.

#### **LEGAL STANDARD**

A party may move for summary judgment "at any time after the expiration of thirty days from the commencement of the action." South Carolina Rules of Civil Procedure, Rule 56.

Summary judgment is proper when there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. Under Rule 56(c), SCRPC, the party seeking summary judgment has the initial burden of demonstrating the absence of a genuine issue of material fact. With respect to an issue upon which the nonmoving party has the burden of proof, this initial responsibility may be discharged by pointing out to the trial court that there is an absence of evidence to support the nonmoving party's case. Once the moving party carries its initial burden, the 'opposing party must, under Rule 56(e), 'do more than simply show that there is some metaphysical doubt as to the material facts' but 'must come forward with specific facts showing that there is a *genuine issue for trial.*' The party opposing summary judgment cannot simply rest on mere allegations or denials contained in the pleadings. In determining whether any triable issues of fact exist, the evidence and all inferences which can be reasonably drawn therefrom must be viewed in the light most favorable to the nonmoving party. If triable issues exist, those issues must be submitted to the jury. Summary judgment is not appropriate where further inquiry into the facts of the case is desirable to clarify the application of the law. Summary judgment should not be granted even when there is no dispute as to evidentiary facts if there is disagreement concerning the conclusion to be drawn from those facts. However, when plain, palpable, and undisputed facts exist on which reasonable minds cannot differ, summary judgment should be granted. J.S. Kahn, SOUTH CAROLINA RULES OF PROCEDURE ANNOTATED (2004) 256 (citing Hedgepath v. AT&T, 348 S.C. 340, 559 S.E.2d 327 (Ct. App. 2001)).

## ARGUMENT

### **I. PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT SHOULD BE DENIED.**

#### **A. The Plaintiff is not entitled to legal or equitable enforcement of its Promissory Note and/or Mortgage, as the Plaintiff has engaged in the unauthorized practice of law, an illegal act, and thus has unclean hands.**

“All real estate and mortgage loan closings must be supervised by an attorney.” *Matrix Financial Services Corporation*, S.C. Supreme Court Op. No. 26859 (Aug. 8, 2011) (citing *Doe v. McMaster*, 355 S.C. 306, 585 S.E.2d 773 (2003); *State v. Buyers Serv. Co.*, 292 S.C. 426, 357 S.E.2d 15 (1987)). “Performing a title search, preparing title and loan documents, and closing a loan without the supervision of an attorney constitutes the unauthorized practice of law. *Id.* (citing *Buyers Serv.*, 292 S.C. at 430-34, 357 S.E.2d at 17-19.

The unauthorized practice of law is inherently prejudicial to not only the parties involved in the instant transaction but also to the public at large for the reason so cogently stated in *Buyers*:

The reason preparation of instruments by lay persons must be held to constitute the unauthorized practice of law is not for the economic protection of the legal profession. Rather, it is for the protection of the public from the potentially severe economic and emotional consequences which may flow from the erroneous advice give by persons untrained in the law. *Id.* (citing *Wachovia Bank v. Coffey*, 389 S.C. at 76, 698 S.E.2d at 248 (citing *Buyers Serv.*, 292 S.C. 426, 431, 357 S.E.2d 15, 18 (1987)).

The closing of a real estate loan requires multiple steps, which include but may not be limited to the preparation of documents, including the note and mortgage, preparation and issuance of preliminary and final title insurance policies, requesting of payoffs, disbursement of funds, recording of certain loan documents, and attorney supervision and advice to the borrower over the entire process. *See e.g. Buyers Serv.*, 292 S.C. 426, 357 S.E.2d 15 (1987); *Doe v. McMaster*, 355 S.C. 306, 585 S.E.2d 773; *In the Matter of Fortson*, S.C. Supreme Court Op. No. 25898; and *In The Matter of Boyce*, S.C. Supreme Court Op. No. 25985. Where an attorney may be present to act only as a

witness and/or notary public to the signing of the documents, this constitutes an improper "witness-only" closing in violation of S.C. law. *Id.*

In the present case, the Plaintiff has engaged in one or more of the above-mentioned requirements of a real estate loan closing without the supervision of a licensed South Carolina attorney and through a title agency, including preparing loan closing documents, such as the preliminary and final title insurance policies, recording of documents, requesting of payoffs and disbursement of funds from the closing, and title search. The loan closing documents on its face and taken as a whole evidence the above statement. The HUD-1 Statement reflects that the place of settlement (closing) was at 373 Inverness Parkway, Ste. 100, Centennial, CO 80112 and that the settlement agent (closing agent) was National Settlement Services. Furthermore, the first Mortgage reflects on the top, left hand corner of the first page, at Book K633 at Page 214, that World Savings Bank, Genet Solomon, prepared the Mortgage and that the same entity and person, along with Lenders First Choice, requested the recording. The Mortgage, at Book K 633 at Page 232, reflects that the first mortgage was not recorded by a closing attorney, and that the same was recorded and returned to Lenders First Choice. As it relates to the second Mortgage, it reflects on the top, left hand corner of the first page, at Book K633 at Page 233, that World Savings Bank, Genet Solomon, prepared the Mortgage and that the recording was requested by the same entity and person, along with Lenders First Choice, Recoding Department. The Mortgage, at Book K 633 at Page 253, reflects that the second mortgage was not recorded by a closing attorney, and that the same was recorded and returned to Lenders First Choice.

The title insurance policies for both the first and second subject matter loans and incorporated herein by reference, clearly reflect that the same were prepared/issued by Lenders First Choice (NSS) at the same address as National Settlement Services. The issuance of a title insurance

policy is based upon a title search of the property and would have been requested by the party issuing the title policies. The HUD-1 Statement reflects that Lenders First Choice was paid for the title search, title insurance policies, wire fee, and delivery fee. Furthermore and pursuant to the HUD-1 Statement, National Settlement Services was paid for the settlement or closing fee and the signing fee. Finally, the HUD-1 Statement reflects a two payoff disbursements performed by National Settlement Services. Clearly, a South Carolina lawyer did not close and/or supervise the subject matter loans; rather a national title company performed this service, in violation of our well-settled state law. All of the above-mentioned documents were previously filed as part of the record in this case with the Defendant's prior Response in Opposition to Plaintiff's Motion to Dismiss and are incorporated herein by reference.

The Plaintiff's actions constitute the unauthorized practice of law, and therefore, the Plaintiff possesses unclean hands. The Plaintiff is not entitled to enforce its subject matter loans, in law or equity, and the Defendant Watkins requests that this Honorable Court order that any and all recorded documents, including but not limited to, the subject matter Mortgages be marked "VOID" by and through the Clerk of the RMC for Charleston County.

**II. PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT SHOULD BE DENIED.**

The *Franklin* court dealt with the attempted voidance of a will, among other issues, due to a non-lawyers preparation of the same. The present case is directly distinguishable from the *Franklin* case, in that a will is not a real estate loan closing, which is and has been strictly regulated by our Supreme Court and its' various decisions. This case is distinguishable from *Matrix* in that the *Matrix* decisions related to the issue of equitable subrogation raised by a lien holder, not the owner, who was directly affected by the bank's illegal unauthorized practice of law. Furthermore, this case is distinguishable from *BAC Home Loan Servicing, L.P. v. Debra Kinder*, S.C. Supreme Court

Opinion No. 27146 (July 25, 2012) in that the *Kinder* court dealt with the unauthorized practice of law in dealing with an assignee lien holder seeking surplus funds, which is far from the facts in the present matter. At hand, the victim here of the bank's illegal conduct is the homeowner, who was present at the loan closing and who was directly impacted by the bank's unauthorized practice of law. The legal concept of not legally or equitably being able to seek to enforce something that arose out of illegal conduct is a historically well-founded principle.

Since 1987, Lenders have been on notice of our State's real estate loan closing requirements, regulations, and laws, and the Lenders have a choice whether to either comply with our state law or circumvent our state law. In the present matter, the Plaintiff circumvented our state law, and in doing so, the Plaintiff committed the unauthorized practice of law and possesses unclean hands. Therefore, the Plaintiff should not be allowed to enforce its' subject matter Notes and Mortgages.

#### CONCLUSION

For the reasons set forth above, the Defendant Ronald R. Watkins respectfully request that the Plaintiff's Motion for Summary Judgment be denied; that the Plaintiff be made to pay the Defendant's attorney's fees and costs; and for such other and further relief that this Honorable Court deems necessary.

Respectfully submitted,

KNOWLES LAW FIRM, PC



BRIAN M. KNOWLES

S.C. Bar No.: 73108

P.O. Box 50201

Summerville, SC 29485

T: 1 (843) 810-7596

F: 1 (877) 408-1078

brian@knowlesinternational.com

Charleston, South Carolina  
April 18, 2014

Attorney for Defendant Ronald R. Watkins

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

IN THE COURT OF COMMON PLEAS  
FOR THE NINTH JUDICIAL CIRCUIT  
2010-CP-10-6945

Wells Fargo Bank, N.A., )  
 )  
PLAINTIFF, )

CERTIFICATE OF SERVICE

v. )  
 )  
 )

Ronald R. Watkins and Ashland Plantation )  
Property Owners Association, Inc., )  
 )  
DEFENDANT(S). )

I, Brian M. Knowles, on behalf of Knowles Law Firm, PC, hereby certify that I have on April 18, 2014, served a copy of the Defendant Ronald R. Watkins' Response in Opposition to Plaintiff's Motion for Summary Judgment and Affidavit in Support of Response in Opposition to Plaintiff's Motion for Summary Judgment upon Plaintiff's counsel of record via e-mail to the following last known address:

Thomas E. Lydon, Esquire  
P.O. Box 12519  
Columbia, SC 29211  
tlydon@mgclaw.com

Brian M. Knowles

EXHIBIT A

SETTLEMENT STATEMENT (Transactions Without Sellers)

File Number: 51-00611670	Loan Number: 0046306058	Mortgage Ins Case #
NAME AND ADDRESS OF BORROWER: RONALD R WATKINS, 2363 RICE POND RD CHARLESTON SC, 29414-6573		
NAME AND ADDRESS OF LENDER: WORLD SAVINGS 4101 WISEMAN BLVD BLDG 10B SAN ANTONIO, TX, 78251		
PROPERTY LOCATION: 2363 RICE POND RD CHARLESTON SC, 29414-6573		
SETTLEMENT AGENT: NATL SETTLEMENT SERVICES		
PLACE OF SETTLEMENT: 373 INVERNESS PARKWAY STE 100, CENTENNIAL, CO 80112		
SETTLEMENT DATE: 06/18/2007	DISBURSEMENT DATE: 06/22/2007	

L. SETTLEMENT CHARGES		M. DISBURSEMENT TO OTHERS	
<b>800. Items Payable in Connection With Loan</b>		<b>1501. PAYOFF TO</b>	
801. WORLD'S LOAN FEE TO WORLD SAVINGS	\$1,990.00	FIRST FEDERAL	\$382,117.27
802. Loan Discount		1502. ESTIMATED PAYOFF TO WACHOVIA	\$12,000.00
803. Appraisal Fee WORLD SAVINGS BANK	\$200.00	1503.	
804. Credit Report CBC COMPANIES POCL \$3.85		1504.	
805. APPLICATION FEE TO WORLD SAVINGS	\$172.00	1505.	
806. FUNDING FEE TO WORLD SAVINGS	\$50.00	1506.	
807. PROCESSING FEE TO WORLD SAVINGS	\$200.00		
808. Doc Prep Fee WORLD SAVINGS	\$150.00		
809. Tax Service Fee FARETS	\$61.00		
810. Initial Flood Cert FAFDS	\$3.00		
811. Life of Loan Flood Cert FAFDS	\$9.00		
<b>900. Items Required By Lender To Be Paid In Advance</b>		1507.	
901. Interest from 06/22/2007 TO 07/01/2007 @\$78.51/DAY	\$706.59	1508.	
902. Mortgage Insurance Premium for		1509.	
903. Hazard Insurance Premium for			
904.			
905.			
<b>1000. Reserves Deposited With Lender</b>		1510.	
1001. Hazard insurance 1 month @ \$300.50 per month	\$300.50	1511.	
1002. Mortgage insurance		1512.	
1003. City property taxes		1513.	
1004. County property taxes 9 months @ \$247.42 per month	\$2,226.78	1514.	
1005. Annual assessments			
1006. FLOOD INS 2 months @ \$22.59 per month	\$45.18		
1007.			
1008. Aggregate Adjustment	\$-1,885.53		
<b>1100. Title Charges</b>		1515.	
1101. Settlement or closing fee NATL SETTLEMENT SERVICES	\$400.00	1516.	
1102. Abstract or title search LENDERS FIRST CHOICE	\$175.00	1517.	
1103. Title examination		1518.	
1104. Title insurance binder		1519.	
1105. Document preparation			
1106. Signing Fee NATL SETTLEMENT SERVICES	\$375.00	1520. TOTAL DISBURSED (enter on line 1603)	\$384,117.27
1107. Attorney's Fees			
(Includes above item numbers: )			
1108. Title Insurance LENDERS FIRST CHOICE	\$997.00		
(Includes above item numbers: )			
1109. Lender's coverage			
1110. Owner's coverage			
1111. Wire Fee LENDERS FIRST CHOICE (NSS)	\$50.00		
1112. Delivery Fee LENDERS FIRST CHOICE (NSS)	\$75.00		
1113. ENDORSEMENTS, 6.2, 8.1, 9.0 CLTA 116	\$100.00	<b>N. Net Settlement</b>	
<b>1200. Government Recording and Transfer Charges</b>		1600. Loan Amount	\$388,000.00
1201. Recording fees:	\$111.00	1601. Plus Check/Cash from Borrower	\$2,628.79
1202. City/county tax/stamps:		1602. Minus total settlement charges (Line 1400)	\$6,511.52
1203. State tax/stamps:		1603. Minus total Disbursements to Others (line 1520)	\$394,117.27
1204.		1604. Equals disbursements to borrower	\$0.00
1205.			
<b>1300. Additional Settlement Charges</b>			
1301. Survey			
1302. Pest Inspection			
1303.			
1304.			
1305.			
1400. Total settlement charges (enter on line 1602)	\$6,511.52		

The undersigned hereby acknowledges receipt of a completed copy of this statement. To the best of my knowledge the HUD-1A ref RESPA Settlement Statement is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

x *[Signature]*  
NATL SETTLEMENT SERVICES

x *[Signature]*  
RONALD R WATKINS

EXHIBIT B:

Prepared By  
RECORDING REQUESTED BY:  
WORLD SAVINGS BANK  
Genet Solomon

BK K 633PG214

WHEN RECORDED MAIL TO:  
WORLD SAVINGS BANK  
FINAL DOCUMENTATION  
CLOSING DEPARTMENT  
P.O. BOX 659548  
SAN ANTONIO, TX 78265-9548

RETURN TO RECORDING DEPT  
Lenders First Choice  
3850 Royal Avenue  
Simi Valley, CA 93063

LOAN NUMBER: 0040308058

NOTE AMOUNT: \$398,000.00  
51-9537095

FOR RECORDER'S USE ONLY

**MORTGAGE**

THIS IS A FIRST MORTGAGE WHICH SECURES A NOTE WHICH CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY PAYMENT AMOUNT AND PRINCIPAL BALANCE (INCLUDING FUTURE ADVANCES AND DEFERRED INTEREST). AT LENDER'S OPTION THE SECURED NOTE MAY BE RENEWED OR RENEGOTIATED.

THE MAXIMUM AGGREGATE PRINCIPAL BALANCE SECURED BY THIS MORTGAGE IS \$497,500.00 WHICH IS 125% OF THE ORIGINAL PRINCIPAL NOTE AMOUNT.

**I. DEFINITIONS OF WORDS USED IN THIS MORTGAGE**

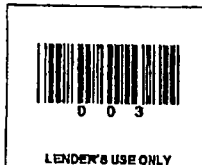
(A) **Security Instrument.** This Mortgage, which is dated June 15, 2007 will be called the "Security Instrument."

(B) **Borrower.** RONALD R WATKINS, A MARRIED MAN sometimes will be called "Borrower" and sometimes simply "I" or "me."

(C) **Lender.** WORLD SAVINGS BANK, FSB, ITS SUCCESSORS AND/OR ASSIGNEES, will be called "Lender." Lender is a FEDERAL SAVINGS BANK, which is organized and exists under the laws of the United States. Lender's address is 1901 Harrison Street, Oakland, CA 94612 .

(D) **Note.** The note signed by Borrower and having the same date as this Security Instrument, including all extensions, renewals, substitutions and modifications thereof, will be called the "Note." The Note shows that I owe Lender the original principal amount of U.S. \$398,000.00 ("Note Amount"), plus accrued and deferred interest and such other amounts as stated in the Note. I have promised to pay the debt in full by July 4, 2037 .

(E) **Property.** The property that is described below in Section III entitled "Description of the Property" will be called the "Property."



(F) **Sums Secured.** The amounts described below in Section II entitled "Borrower's Transfer of Rights in the Property" sometimes will be called the "Sums Secured."

(G) **Person.** Any person, organization, governmental authority or other party will be called "Person."

## II. BORROWER'S TRANSFER OF RIGHTS IN THE PROPERTY

I mortgage, irrevocably grant and convey the Property to Lender subject to the terms of this Security Instrument. This means that, by signing this Security Instrument, I am giving Lender those rights that are stated in this Security Instrument and also those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

(i) pay all amounts owed to Lender under the Note and all other notes secured by this Security Instrument, called the "Secured Notes," including future advances made by Lender and any changes to the Secured Notes made with the written consent of Lender;

(ii) pay, with interest, any amounts that Lender spends under Paragraphs 2 and 7 below to protect the value of the Property and Lender's rights in the Property; and

(iii) keep all of my other promises and agreements under this Security Instrument, the Secured Notes and any changes to the Secured Notes made with the written consent of Lender.

## III. DESCRIPTION OF THE PROPERTY

I give Lender rights in the Property described below:

(i) The property which is located at 2363 RICE POND RD, CHARLESTON, SC 29414-6573. The legal description of the Property is attached as Exhibit "A" which is made a part of this Security Instrument. This Property is called the "Described Property."

(ii) All buildings and other improvements that are located on the Described Property;

(iii) All rights in other property that I have as owner of the Described Property. These rights are known as easements, rights and appurtenances attached to the Property;

(iv) All rents or royalties and other income from the Described Property;

(v) All mineral, oil and gas rights and profits, water rights and stock that are part of the Described Property;

(vi) All rights that I have in the land which lies in the streets or roads in front of, behind or next to, the Described Property;

(vii) All fixtures that are now or in the future will be on the Described Property or on the property described in subsection (ii) of this Section;

(viii) All of the rights and property described in subsections (ii) through (vi) of this Section that I acquire in the future;

(ix) All replacements of or additions to the property described in subsections (ii) through (viii) of this Section; and

(x) All of the amounts that I pay to Lender under Paragraph 2 below.

**IV. BORROWER'S RIGHT TO GRANT A SECURITY INTEREST IN THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY**

I promise that: (i) I lawfully own the Property; (ii) I have the right to mortgage, grant and convey the Property to Lender; and (iii) there are no outstanding claims, charges, liens or encumbrances against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

**COVENANTS**

I promise and I agree with Lender as follows:

**1. BORROWER'S PROMISE TO PAY**

I will pay to Lender, on time, all principal and interest due under the Secured Notes and any prepayment and late charges due under the Secured Notes.

**2. PAYMENTS FOR TAXES AND INSURANCE**

**(A) Borrower's Obligations**

I will pay all amounts necessary to pay taxes and hazard insurance premiums on the Property as well as assessments, leasehold payments, ground rents or mortgage insurance premiums (if any).

**(B) Escrow Accounts**

Subject to applicable law, no escrow shall be required except upon written demand by Lender, in which case, I shall pay to Lender on the day payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes, penalties and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; and (e) yearly mortgage insurance premiums, if any. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for an escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. §2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentally, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge me for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays me interest on the Funds and/or applicable law permits Lender to make such a charge. However, Lender may require me to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay me any interest or earnings on the Funds. Lender shall give to me, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to me for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify me in writing, and, in such case I shall pay to Lender the amount necessary to make up the deficiency or shortage. I shall make up the deficiency or shortage in accordance with the requirements of the Lender, at its sole discretion, in the manner and times prescribed by RESPA.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to me any Funds held by Lender. If, under Paragraph 27, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

**3. APPLICATION OF BORROWER'S PAYMENTS**

Unless the law requires otherwise, Lender will apply each of my payments under the Secured Notes and under Paragraphs 1 and 2 above in the following order and for the following purposes:

- First, to pay prepayment charges due under the Secured Notes;
- Second, to pay any advances due to Lender under this Security Instrument;
- Third, to pay the amounts due to Lender under Paragraph 2 above;
- Fourth, to pay interest due under the Secured Notes;
- Fifth, to pay deferred interest due under the Secured Notes;
- Sixth, to pay principal due under the Secured Notes;
- Last, to pay late charges due under the Secured Notes.

**4. BORROWER'S OBLIGATION TO PAY CHARGES, ASSESSMENTS AND CLAIMS**

I will pay all taxes, assessments and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument.

I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property. I will pay these amounts either by making the payments to Lender that are described in Paragraph 2 above or by making the payments on time to the Person owed them.

Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a lien. I will promptly pay or satisfy all liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior lien if: (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves in writing the way in which I agree to pay that obligation; or (B) in good faith, I argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up; or (C) I secure from the holder of that other lien an agreement, approved in writing by Lender, that the lien of this Security Instrument is superior to the lien held by that Person. If Lender determines that any part of the Property is subject to a superior lien, Lender may give to me a notice identifying the superior lien. I will pay or satisfy the superior lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**5. BORROWER'S OBLIGATION TO MAINTAIN INSURANCE**

At my sole cost and expense, I will obtain and maintain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. I may choose the insurance company but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the

refusal is reasonable. All of these insurance policies and renewals of the policies must include what is known as a Standard Mortgagee Clause to protect Lender. The form of all policies and renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If I obtain earthquake insurance, any other hazard insurance, credit life and/or disability insurance, or any other insurance on or relating to the Property or the Secured Notes and which are not specifically required by Lender, I will name Lender as loss payee of any proceeds.

If there is a loss or damage to the Property, I will promptly notify the proper insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company is called "Proceeds." Any Proceeds received will be applied first to reimburse Lender for costs and expenses incurred in connection with obtaining the Proceeds, and then, at Lender's option and in the order and proportion as Lender may determine in its sole and absolute discretion, regardless of any impairment or lack of impairment of security, as follows: (A) to the extent allowed by applicable law, to the Sums Secured in a manner that Lender determines and/or (B) to the payment of costs and expenses of necessary repairs or to the restoration of the Property to a condition satisfactory to Lender, such application to be made in the manner and at the times as determined by Lender.

If I abandon the Property or if I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may collect the Proceeds. Lender may use the Proceeds to repair or restore the Property or to pay the Sums Secured. The 30-day period will begin when the notice is given.

If any Proceeds are used to reduce the amount of principal which I owe to Lender under the Secured Notes, that use will not delay the due date or change the amount of any of my payments under the Secured Notes and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to delays or changes.

If Lender acquires the Property under Paragraph 27 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the Sums Secured immediately before the Property is acquired by Lender or sold.

If I am required by Lender to pay premiums for mortgage insurance, I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law.

#### **6. BORROWER'S OBLIGATION TO MAINTAIN THE PROPERTY AND TO FULFILL ANY LEASE OBLIGATIONS**

I will keep the Property in good repair including, but not limited to, keeping the Property free from debris, mold, termites, dry rot and other damaging pests and infestations. I will not destroy or substantially change the Property and I will not allow the Property to deteriorate. I will keep and maintain the Property in compliance with any state or federal health and safety laws, and hazardous materials and hazardous waste laws. I will not use, generate, manufacture or store any hazardous materials or hazardous waste on, under or about the Property. I will indemnify, defend and hold harmless Lender and its employees, officers and directors and their successors from any claims, damages or costs for required or necessary repair or the removal of mold, termites, dry rot, other damaging pests and infestations and hazardous waste or any other hazardous materials claim. If I do not own but am a tenant on the Property, I will fulfill my obligations under my lease. I also agree that, if I acquire the fee title to the Property, my lease interest and the fee title will not merge unless Lender agrees to the merger in writing.

**7. LENDER'S RIGHT TO PROTECT ITS RIGHTS IN THE PROPERTY**

If: (A) I do not keep my promises and agreements made in this Security Instrument, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever it deems reasonable or appropriate to protect the Lender's rights in the Property. Lender's actions may include, without limitation, appearing in court, paying reasonable attorneys' fees, purchasing insurance required under Paragraph 5 above (such insurance may cost more and provide less coverage than the insurance I might purchase), and entering on the Property to make repairs. Lender must give me notice before Lender may take any of these actions. Although Lender may take action under this Paragraph 7, Lender does not have to do so. Any action taken by Lender under this Paragraph 7, will not release me from my obligations under this Security Instrument.

I will pay to Lender any amounts which Lender advances under this Paragraph 7 with interest, at the interest rate in effect under the Secured Notes which have not been paid. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. Interest on each amount will begin to accrue on the date that the amount is advanced by Lender. However, Lender and I may agree in writing to terms that are different from those in this Paragraph 7. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest. Any amounts disbursed by Lender under this Paragraph 7 shall become additional debt of Borrower secured by this Security Instrument.

**8. LENDER'S RIGHT TO INSPECT THE PROPERTY**

Lender, and others authorized by Lender, may enter upon and inspect the Property. They must do so in a reasonable manner and at reasonable times. Before or at the time an inspection is made, Lender must give me notice stating a reasonable purpose for the inspection.

**9. AGREEMENTS ABOUT GOVERNMENTAL TAKING OF THE PROPERTY**

I assign to Lender all my rights: (A) to proceeds of all awards or claims for damages resulting from condemnation, eminent domain or other governmental taking of all or any part of the Property; and (B) to proceeds from a sale of all or any part of the Property that is made to avoid condemnation, eminent domain or other governmental taking of the Property. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the Sums Secured. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, the amount that I owe to Lender will be reduced only by the amount of proceeds multiplied by the following fraction: (A) the total amount of the Sums Secured immediately before the taking, divided by (B) the fair market value of the Property immediately before the taking. The remainder of the proceeds will be paid to me.

If I abandon the Property or if I do not answer, within 30 days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the Sums Secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Secured Notes, that use will not delay the due date or change the amount of any of my payments under the Secured Notes and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to delays or changes.

**10. CONTINUATION OF BORROWER'S OBLIGATIONS AND OF LENDER'S RIGHTS****(A) Borrower's Obligations**

Lender may allow a Person who takes over my rights and obligations subject to this Security Instrument to delay or to change the amount of the payments of principal and interest due under the Secured Notes or under this Security Instrument. Even if Lender does this, however, that Person and I will both still be fully obligated under the Secured Notes and under this Security Instrument.

Lender may allow those delays or changes for a Person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a Person for not fulfilling obligations under the Secured Notes or under this Security Instrument, even if Lender is requested to do so.

**(B) Lender's Rights**

Even if Lender does not exercise or enforce any of its rights under this Security Instrument or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will have the right under Paragraph 27 below to demand that I make immediate payment in full of the amounts that I owe to Lender under the Secured Notes and under this Security Instrument.

**11. OBLIGATIONS OF BORROWER, CO-SIGNORS AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS**

If more than one Person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured.

Any Borrower who co-signs this Security Instrument but does not execute the note (a "co-signor"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signor's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the Sums Secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to terms of this Security Instrument or the Note without the co-signor's consent.

Any Person who takes over my rights or obligations under this Security Instrument will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Similarly, any Person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Security Instrument.

**12. MAXIMUM LOAN CHARGES**

If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limits and (B) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Secured Notes or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Secured Notes.

**13. LEGISLATION AFFECTING LENDER'S RIGHTS**

If a change in applicable law would make any provision of the Secured Notes or this Security Instrument unenforceable, Lender may require that I make immediate payment in full of all Sums Secured by this Security Instrument.

**14. NOTICES REQUIRED UNDER THIS SECURITY INSTRUMENT**

Any notice that must be given to me under this Security Instrument will be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice will be addressed to me at 2363 RICE POND RD, CHARLESTON, SC 29414-6673. A notice will be given to me at an alternative address if I give Lender notice of my alternative address. I may give notice to Lender of my alternative address in writing or by calling Lender's customer service telephone number provided on my billing statement. I may designate only one mailing address at a time for notification purposes. Except as permitted above for changes of address, any notice that must be given to Lender under this Security Instrument will be given by mailing it by first class mail to Lender's address stated in Section I.(C) above entitled, "Definitions of Words Used in this Mortgage," unless Lender gives me notice of a different address. Any notice required by this Security Instrument is given when it is mailed or when it is delivered according to the requirements of this Paragraph 14 or of applicable law.

**16. GOVERNING LAW; SEVERABILITY**

This Security Instrument and the Secured Notes shall be governed by and construed under federal law and federal rules and regulations, including those for federally chartered savings institutions ("Federal Law") and, to the extent Federal Law does not apply, by the law of the jurisdiction in which the Property is located. In the event that any of the terms or provisions of this Security Instrument or the Secured Notes are interpreted or construed by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those provisions so construed or interpreted and shall not affect the remaining provisions of this Security Instrument or the Secured Notes.

**16. BORROWER'S COPY**

I acknowledge the receipt of one conformed copy of the Secured Notes and of this Security Instrument.

**17. LENDER'S RIGHTS TO RENTAL PAYMENTS AND TO TAKE POSSESSION OF THE PROPERTY**

If Lender requires immediate payment in full or if I abandon the Property, then Lender, Persons authorized by Lender, or a receiver appointed by a court at Lender's request may: (A) collect the rental payments, including overdue rental payments, directly from the tenants; (B) enter upon and take possession of the Property; (C) manage the Property; and (D) sign, cancel and change rental agreements and leases. If Lender notifies the tenants that Lender has the right to collect rental payments directly from them under this Paragraph 17, I agree that the tenants may make those rental payments to Lender without having to ask (i) Lender whether I have failed to keep my promises and agreements under this Security Instrument, or (ii) me for my permission to do so.

If Lender acts to have the Property sold after a Breach of Duty as defined in Paragraph 27, I understand and agree that: (A) my right to occupy the Property ceases at the time the Property is sold; (B) I shall have no right to occupy the Property after such sale without the written consent of the new owner of the Property; and (C) my wrongful and unlawful possession of the Property may subject me to monetary damages, including the loss of reasonable rent and the cost of eviction. All rental payments collected by Lender or by a receiver, other than the rent paid by me under this Paragraph 17, will be used first to pay the costs of collecting rental payments and of managing the Property. If any part of the rental payments remains after those costs have been paid in full, the remaining part will be used to reduce the Sums Secured. The costs of managing the Property may include the receiver's fees, reasonable attorneys' fees and the costs of any necessary bonds.

**18. INJURY TO PROPERTY; ASSIGNMENT OF RIGHTS**

An assignment is a transfer of rights to another. I may have rights to bring legal action against persons, other than Lender, for injury or damage to the Property or in connection with the loan made to me by Lender and which arose or will arise before or after the date of this Security Instrument. These rights to bring legal action may include an action for breach of contract, fraud, concealment of a material fact or for intentional or negligent acts. I assign these rights, and any proceeds arising from these rights, as permitted by applicable law, to Lender. Lender may, at its option, enforce these rights in its own name and may apply any proceeds resulting from this assignment to any amount that I may owe to Lender under the Note and this Security Instrument after deducting any expenses, including attorneys' fees, incurred in enforcing these rights. At the request of Lender, I will sign any further assignments or other documents that may be necessary to enforce this assignment.

**19. CLERICAL ERRORS**

In the event Lender at any time discovers that this Security Instrument, the Secured Notes or any other document related to this loan, called collectively the "Loan Documents," contains an error which was caused by a clerical mistake, calculation error, computer error, printing error or similar error, I agree, upon notice from Lender, to reexecute any Loan Documents that are necessary to correct any such error(s) and I also agree that I will not hold Lender responsible for any damage to me which may result from any such error.

**20. LOST, STOLEN OR MUTILATED DOCUMENTS**

If any of the Loan Documents are lost, stolen, mutilated or destroyed and Lender delivers to me an indemnification in my favor, signed by Lender, then I will sign and deliver to Lender a Loan Document identical in form and content which will have the effect of the original for all purposes.

**21. WAIVER OF STATUTE OF LIMITATIONS**

I will waive, within applicable law, the pleading of the statute of limitations as a defense to enforce this Security Instrument, including any obligations referred to in this Security Instrument or Secured Notes.

**22. CAPTIONS**

The captions and headings at the beginning of each paragraph of this Security Instrument are for reference only and will not be used in the interpretation of any provision of this Security Instrument.

**23. MODIFICATION**

This Security Instrument may be modified or amended only by an agreement in writing signed by Borrower and Lender.

**24. CONDOMINIUM, COOPERATIVE AND PLANNED UNIT DEVELOPMENT OBLIGATIONS**

If the Property is a unit in a condominium, cooperative or planned unit development, each of which shall be called the "Project," and I have an interest in the common elements of the Project, then Lender and I agree that:

(A) If an owners association or other entity, called "Owners Association," holds title to Property for the benefit or use of the Project and its members or shareholders, the Property also includes my interest in the Owners Association and the uses, proceeds and benefits of my interest.

(B) The following are called the "Constituent Documents:" (i) The declaration or any other document which created the Project; (ii) By-laws of the Owners Association; (iii) Code of regulations for the Project; (iv) Articles of Incorporation, trust instrument or equivalent document which creates the Owners Association; (v) The Project's covenants, conditions and restrictions; (vi) Other equivalent documents.

I shall perform all of my obligations under the Constituent Documents, including my obligation to pay, when due, all dues and assessments. If I do not pay the dues and assessments when due, Lender may, at its option, pay them. I will pay to Lender any amounts which Lender advances under this Paragraph 24 according to the terms described in Paragraph 7 above.

(C) If the Owners Association maintains, with an insurance company reasonably acceptable to Lender, a master or blanket policy on the Project which is satisfactory to Lender and which provides insurance coverage on the terms, in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," and Lender is provided with evidence of such master or blanket policy, then: (i) Lender waives the provision in Paragraph 2(B) above for the payment to Lender of the estimated yearly premium installments for hazard insurance on the Property; and (ii) hazard insurance coverage on the Property as required by Paragraph 5 above is deemed to be satisfied to the extent that the required coverage is provided by the Owners Association policy. I shall give Lender prompt notice of any lapse in the required hazard insurance coverage. I shall provide a copy of such master or blanket policy to Lender annually.

In the event of a distribution of hazard insurance proceeds, in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to me are hereby assigned and shall be paid to Lender for application to the Sums Secured by this Security Instrument, with any excess paid to me.

I shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable to Lender in form, amount and extent of coverage.

(D) I shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of condemnation, eminent domain or other governmental taking; (ii) any amendment to any provision of Constituent Documents unless the provision is for the express benefit of Lender or of lenders generally; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the master or blanket hazard insurance policy and/or the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

#### 25. FUTURE ADVANCES

At Borrower's request, Lender, at its option (but before release of this Security Instrument or the full reconveyance of the Property described in the Security Instrument) may lend future advances, with interest, to Borrower. Such future advances, with interest, will then be additional Sums Secured under this Security Instrument.

#### 26. AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR TRANSFERRED

Acceleration of Payment of Sums Secured. Lender may, at its option, require immediate payment in full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. Lender also may, at its option, require immediate payment in full if Borrower is not a natural Person and a beneficial interest in Borrower is sold or transferred without Lender's prior written permission. However, Lender shall not require immediate payment in full if this is prohibited by Federal Law in effect on the date of the Security Instrument.

If Lender exercises the option to require immediate payment in full, Lender will give me notice of acceleration. If I fail to pay all Sums Secured by this Security Instrument immediately, Lender may then or thereafter invoke any remedies permitted by this Security Instrument without further notice to or demand on me.

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**27. RIGHTS OF THE LENDER IF THERE IS A BREACH OF DUTY**

It will be called a "Breach of Duty" if (i) I do not pay the full amount of each payment on the date it is due; or (ii) I fail to perform any of my promises or agreements under the Note or this Security Instrument; or (iii) any statement made in my application for this loan was materially false or misleading or if any statement in my application for this loan was materially false or misleading by reason of my omission of certain facts; or (iv) I have made any other statement to Lender in connection with this loan that is materially false or misleading. If there is a Breach of Duty by me, Lender may demand an immediate payment of all sums secured.

If there is a Breach of Duty by me, the Lender may take action to have the Property sold under any applicable Federal Law, rule or regulation and, where Federal Law is not applicable, under the law of the state where the Property is located, which will be called the "Applicable Law."

Lender does not have to give me notice of a Breach of Duty unless notice is required by Applicable Law. If Lender does not make a demand for full payment upon a Breach of Duty, Lender may make a demand for full payment upon any other Breach of Duty.

If there is a Breach of Duty, Lender may also take action to have a receiver appointed under the Applicable Law to collect rents from any tenants on the Property and to manage the Property. The action to appoint a receiver may be taken without prior notice to me and regardless of the value of the Property.

The sale of the Property may be postponed by or at the direction of Lender except as limited or prohibited by the Applicable Law. If the Property is sold under the Applicable Law, I agree that it may be sold in one parcel. I also agree that Lender may add to the amount that I owe to Lender all legal fees, costs, allowances, and disbursements incurred as a result of the action to sell the Property, except to the extent that the Applicable Law limits or prohibits any such charges.

Lender will apply the proceeds from the sale of the Property in the following order: (A) to all fees, expenses and costs incurred in connection with the sale, including but not limited to, attorneys' fees, if any; (B) to all Sums Secured by this Security Instrument; and (C) any excess to the Person or Persons legally entitled to it.

**28. LENDER'S OBLIGATION TO DISCHARGE THIS SECURITY INSTRUMENT**

When Lender has been paid all of the amounts secured by this Security Instrument, Lender shall release or cancel this Security Instrument.

**29. STATEMENT OF OBLIGATION**

To the extent allowed by law, I will give Lender a fee for furnishing any statement of obligation with respect to this Security Instrument or the Secured Notes.

**30. WAIVER OF REDEMPTION**

My right of redemption is waived to the extent allowed by applicable law.

**31. (x) QUICK QUALIFYING LOAN PROGRAM**

I have qualified for this loan by making statements of fact which were relied upon by Lender to approve the loan rapidly. This loan is called a "Quick Qualifying Loan." I have stated and I confirm that: (A) I do not have any other Quick Qualifying Loans with Lender; (B) I have agreed to not further encumber the Property and do not intend to further encumber the Property for at least six months after the date of the Secured Notes and this Security Instrument; and (C) If I am purchasing the Property, all of the terms of the purchase agreement submitted to Lender are true and the entire down payment is cash from my own funds.

If any of the statements of fact that I have made are materially false or misleading, I will be in default under the Secured Notes and this Security Instrument. If I am in such default, Lender may, at its option, increase the interest rate.

**32. (x) OWNER OCCUPANCY**

Lender has relied upon statements of fact which I have made to qualify for this loan. I have stated and confirm that: (A) the Property is my personal and primary residence; (B) I will occupy the Property not later than 30 days after this Security Instrument is recorded; and (C) I will use the Property as my residence for at least 12 months from the date this Security Instrument is recorded.

If any of the statements of fact that I have made are materially false or misleading, I will be in default under the Secured Notes and this Security Instrument. If I am in such default, Lender may, at its option, increase the interest rate.

**(X) VALUE INDICATES THAT THE PARAGRAPH APPLIES.**

**THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS.**

BK K 633PG226

0046306056

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

(PLEASE SIGN YOUR NAME EXACTLY AS IT APPEARS BELOW)

WITNESS(ES):

*Andrew Dolan* *Jeremy M. Kibben*  
Andrew Dolan BORROWER(S): Jeremy M. Kibben

*Ronald R Watkins* (Seal)  
RONALD R WATKINS

*Donna L. Watkins*  
DONNA L. WATKINS non borrowing/non-vested spouse

Mailing Address: 2363 RICE POND RD, CHARLESTON, SC 29414-6573

ATTACH INDIVIDUAL NOTARY ACKNOWLEDGEMENT

SD859 (2004-03-1)

W30 (2004-03-1)

Page 13

SC

X02 (2004-03-01)

ACKNOWLEDGMENT

STATE OF South Carolina

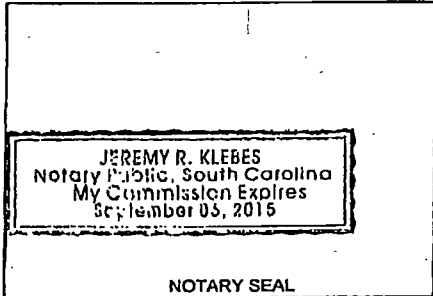
COUNTY OF Charleston

On 6-18-07 before me, Jeremy R. Klebes, PERSONALLY APPEARED  
(DATE) NAME, TITLE OF OFFICER E.G. NOTARY PUBLIC

Ronald R. Watkins and Donna L. Watkins

NAME(S) OF SIGNERS

     personally known to me -or-   X   proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Jeremy R. Klebes  
SIGNATURE OF NOTARY

MY COMMISSION EXPIRES ON: 09-05-2015

Description of Attached Document:

Title to Type of Document: Acknowledgement

Document Date: 6-18-07 Number of Pages: 1

Signers Other Than Named Above: \_\_\_\_\_

EXHIBIT "A"

BK K 633PG228

THE FOLLOWING DESCRIBED REAL PROPERTY TO WIN:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND, WITH THE BUILDINGS AND IMPROVEMENTS THEREON OR TO BE BUILT THEREON, SITUATE LYING AND BEING IN THE COUNTY OF CHARLESTON, STATE OF SOUTH CAROLINA, KNOWN AND DESIGNATED AS LOT 3 BLOCK B, ASHLAND PLANTATION, AS SHOWN ON A PLAT ENTITLED "SUBDIVISION PLAT OF ASHLAND PLANTATION", PREPARED BY GEORGE A. Z. JOHNSON, JR., INC., DATED JULY 15, 1987 AND BEING DULY RECORDED IN THE R. M. C. OFFICE FOR CHARLESTON COUNTY IN PLAT BOOK 80, PAGE 91. THE SAID LOT HAVING SUCH DISTANCES, COURSES, METES AND BOUNDS AS WILL BY REFERENCE TO SAID PLAT MORE FULLY APPEAR.

BEING THAT PARCEL OF LAND CONVEYED FROM GRANTOR JOE FORD CONSTRUCTION, A LIMITED PARTNERSHIP TO GRANTEE RONALD R. WATKINS BY THE DEED DATED 10/19/1989 AND RECORDED 10/20/1989 IN DEED BOOK<sup>C</sup> 188 PAGE 294 OF CHARLESTON COUNTY, SOUTH CAROLINA PUBLIC REGISTRY.

FOR INFORMATIONAL PURPOSES ONLY: THE APN IS SHOWN BY THE COUNTY ASSESSOR AS 356-01-00-041; SOURCE OF TITLE IS BOOK 188, PAGE 294 (RECORDED 10/20/89) <sup>C</sup>

BK K 633PG229

## PLANNED UNIT DEVELOPMENT RIDER

LOAN NUMBER: 0046306056

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 15th day of June, 2007 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to WORLD SAVINGS BANK, FSB., ITS SUCCESSORS AND/OR ASSIGNEES, (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

2363 RICE POND RD, CHARLESTON, SC 29414-6573

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in EXHIBIT "A" attached incorporated herein (the "Declaration"). The Property is a part of a planned unit development known as:

Ashland Plantation

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowner association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

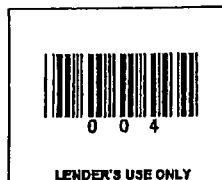
**PUD COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. PUD Obligations.** Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

**B. Property Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other

MULTISTATE PUD RIDER - Single Family -  
Fannie Mae/Freddie Mac UNIFORM INSTRUMENT FORM 315D 1/01  
SD448A (2004-03-1) Page 1

SC



0046306056

hazards, including, but not limited to, earthquakes and floods, from which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

**C. Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

**D. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

**E. Lender's Prior Consent.** Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

**F. Remedies.** If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

**THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS.**


BK K 633PG231

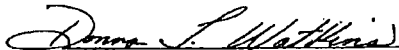
0046306056

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this PUD Rider.

(PLEASE SIGN YOUR NAME EXACTLY AS IT APPEARS BELOW)

BORROWER(S):

  
\_\_\_\_\_  
RONALD R. WATKINS (Seal)

  
\_\_\_\_\_  
non-borrowing/non-vested spouse

Mailing Address: 2383 RICE POND RD, CHARLESTON, SC 29414-6573

ATTACH INDIVIDUAL NOTARY ACKNOWLEDGEMENT

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3160 1/01  
SD448 (2004-03-1) Page 3 of 3

SC

[X02 (2004-03-01)]

63  
BK K 633PG232

**RECORDER'S PAGE**

NOTE: This page MUST remain with the original document



**FILED**

July 24, 2007

10:05:57 AM

BK K 633PG214

Charlie Lybrand, Register  
Charleston County, SC

**Filed By:**

Lenders First Choice

3850 Royal Ave.

Simi Valley

CA 93063

env

**Number of Pages:**

19

**DESCRIPTION**

**AMOUNT**

DESCRIPTION	AMOUNT
	\$ 24.00
Postage	

**TOTAL**

\$ 24.00

**DRAWER:**

C - cfb

DO NOT STAMP BELOW THIS LINE

EXHIBIT C:

Prepared By  
RECORDING REQUESTED BY:  
WORLD SAVINGS BANK  
Genet Solomon

BK K 633PG233

~~WHEN RECORDED MAIL TO:~~  
WORLD SAVINGS BANK  
FINAL DOCUMENTATION  
CLOSING DEPARTMENT  
P.O. BOX 658548  
SAN ANTONIO, TX 78265-9548

LOAN NUMBER: 0046362257

51-9037090

FOR RECORDER'S USE ONLY

OPEN END MORTGAGE  
(SECURING FUTURE ADVANCES)  
THIS MORTGAGE IS SECURITY FOR AN EQUITY LINE OF CREDIT AGREEMENT  
MATURING July 15, 2037.

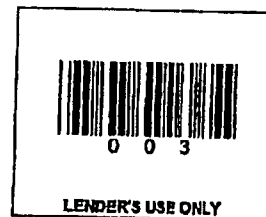
THIS MORTGAGE (herein called the "Security Instrument") is made this 15th day of June, 2007.  
The Mortgagor is RONALD R WATKINS, A MARRIED MAN (herein "Borrower"). This Security  
Instrument is given to WORLD SAVINGS BANK, FSB, ITS SUCCESSORS AND/OR ASSIGNEES,  
and whose address is 1901 Harrison Street, Oakland, CA 94612 (herein "Lender").

RETURN TO REC. DEPT.  
Lenders First Choice  
3850 Royal Avenue  
Simi Valley, CA 93063

SD878AZ (2005-04-2)  
ELOC

Page 1

SC



**PURSUANT TO** an Equity Line of Credit Agreement and Disclosure Statement dated June 15, 2007 and all renewals, extensions, substitutions and modifications thereof, including without limitation, modifications that increase the Credit Limit thereunder (herein "Note"), Borrower may incur maximum unpaid loan indebtedness (exclusive of interest thereon) in amounts fluctuating from time to time up to the maximum principal sum outstanding at any time of **FORTY-NINE THOUSAND TWO HUNDRED AND 00/100 Dollars (U.S. \$49,200.00)**, which is due and payable, if not sooner paid, on July 15, 2037.

**BORROWER, IN** consideration of the indebtedness herein recited, does hereby mortgage, grant and convey to Lender and Lender's successors and assigns the following described property located in the County of **CHARLESTON** State of **SOUTH CAROLINA** SEE EXHIBIT "A," ATTACHED HERETO AND INCORPORATED BY REFERENCE HEREIN, which has the address of **2363 RICE POND RD, CHARLESTON, SC 29414-6573** ("Property Address"):

**TOGETHER WITH** all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, fixtures and rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), all of which shall be deemed to be and remain a part of the property covered by this Security Instrument; and all of the foregoing, together with said property (or the leasehold estate if this Security Instrument is on a leasehold) are hereinafter referred to as the "Property";

**TO SECURE** to Lender (a) the repayment of all sums now or hereafter advanced under the terms of the Note, including any advances that may exceed the Credit Limit, together with interest; (b) the payment of all other sums, with interest, advanced under this Security Instrument to protect the security of this Security Instrument (including, without limitation, such sums that are advanced by Lender whether or not at the time the sums are advanced there is any principal sum outstanding under the Note); and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note.

**BORROWER COVENANTS** that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

**BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:**

**1. Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and all other charges due under this Security Instrument and due under the Note. Payments due under the Note and this Security Instrument shall be made in

U.S. Dollars by check or money order. If any check or other instrument received by Lender as payment is returned to Lender unpaid, Lender may (a) charge Borrower the non-sufficient funds (NSF) fee specified in the Note or, if the Note does not specify any such fee amount, an amount not to exceed the maximum NSF charge permitted by applicable law; and (b) require that any or all subsequent payments be made by money order or with certified funds. If Borrower is in default, Lender may require Borrower to make any payment needed to cure the default by money order or with certified funds. "Certified funds" means a certified check, bank check, treasurer's check or cashier's check, drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 12. Lender may return any payment(s) or partial payment(s) if the payment(s) or partial payment(s) are insufficient to bring Borrower's obligations current. Lender may accept any payment(s) or partial payment(s) insufficient to bring the Borrower's obligations current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment(s) or partial payment(s) in the future.

**2. Funds for Escrow Items.** At loan origination or at any time thereafter, Lender may require that Borrower pay to Lender on the day periodic payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) condominium or homeowners association dues, fees and assessments, if any. These items are called "Escrow Items." Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section 2. Any waiver by Lender of Borrower's obligation to pay Funds to Lender may only be in writing.

When Borrower is not required to pay for Escrow Items by paying Funds to Lender, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. If Borrower is obligated to pay Escrow Items directly and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 7 and pay such amount and Borrower shall then be obligated under Section 7 to repay to Lender any such amount. Lender may require that Borrower then pay to Lender Funds for any or all Escrow Items by a notice given in accordance with Section 12, and Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 2.

Lender may, at any time, collect and hold Funds in an amount (1) sufficient to permit Lender to apply the Funds at the time specified under the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et. seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they or any successor legislation or regulation might be amended from time to time ("RESPA") and (2) not to

exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Unless an agreement is made in writing or applicable law requires Lender to pay interest on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than twelve monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than twelve monthly payments.

Upon payment in full of all sums secured by this Security Instrument Lender shall promptly refund to Borrower any Funds held by Lender. If under Section 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

**3. Application of Payments.** Unless the Note or applicable law requires otherwise, Lender will apply payments received under Sections 1 and 2 in the order selected by Lender.

**4. Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Security Instrument, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property (including, without limitation, all dues, fees, assessments and other charges that are imposed on the Property by any applicable condominium association, homeowners association or similar organization), which may attain a priority over this Security Instrument, and leasehold payments or ground rents, if any.

Borrower agrees that Borrower will not obtain any additional advances, whether voluntary or involuntary, or allow any modification or extension of, any loan secured by a lien or other encumbrance with a priority senior to this Security Instrument without the prior written consent of Lender. Violation of this provision shall constitute a default under this Security Instrument entitling Lender to all rights and remedies afforded herein, in law or equity, including but not limited to, acceleration of the loan.

Borrower further agrees to deliver to Lender any notices that Borrower receives from the holder of any such senior lien or encumbrance.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this loan.

**5. Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this loan, a one-time charge for flood zone determination and certification and a one-time charge for tracking services. Borrower also shall be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense, pursuant to Section 7 below. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance coverage that Borrower could have obtained.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage not otherwise required by Lender, such as credit life and/or disability insurance or earthquake or other hazard insurance for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee, and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance.

If the Property is a unit in a condominium, cooperative or planned unit development (the "Project") and the Project is covered by a master or blanket policy maintained by the Project's owners association, in the event of a distribution of any hazard insurance proceeds, including without limitation any earthquake or special hazards insurance whether or not such coverage was specifically required by Lender, in lieu of restoration or repair following a loss to the Property and/or the Project, any proceeds payable to Borrower and/or Lender for a loss to the Property are hereby assigned and shall be paid to Lender for application to sums secured by this Security Instrument, with any excess paid to Borrower. Borrower shall take such actions as may be reasonable to insure that the Project's owners association maintains a public liability insurance policy acceptable to Lender.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied first to reimburse Lender for costs and expenses incurred in connection with obtaining the proceeds, and then, at Lender's option and in the order and proportion as Lender may determine in its sole and absolute discretion regardless of any impairment or lack of impairment of any security, as follows: (a) to the extent allowed by applicable law, to the sums secured by this Security Instrument in a manner that Lender determines and/or (b) to restoration or repair of the Property to a condition satisfactory to Lender, such application to be made in the manner and at the times as determined by Lender. During any repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or applicable law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 17 or otherwise, Borrower hereby assigns to Lender (1) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (2) any other of Borrower's rights (other than the right to any refund or unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

If any insurance proceeds are used to reduce the amount of principal owing to Lender under the Note, that use will not delay the due date or change the amount of regularly scheduled payments under the Note, unless Lender and Borrower agree to such delay or change in writing.

**6. Preservation and Maintenance of Property; Assignment of Rights for Injury to Property.**

Borrower shall keep the Property in good repair including, but not limited to, keeping the Property free from debris, mold, termites, dry rot and other damaging pests and infestations, not commit waste or permit impairment or deterioration of the Property, comply with the provisions of any lease if this Security Instrument is on a leasehold, and, if this Security Instrument is on a unit in a Project, (a) perform all of Borrower's obligations under the declaration or covenants creating or governing the Project, the by-laws and regulations of the Project, and constituent documents, and (b) pay when due all dues, fees, assessments and other charges that are imposed on Borrower or the Property by the condominium association, homeowners association or similar organization.

An assignment is a transfer of rights to another. Borrower may have rights to bring legal action against persons, other than Lender, for injury or damage to the Property or in connection with the loan made by Lender and which arose or will arise before or after the date of this Security Instrument. These rights to bring legal action may include an action for breach of contract, fraud, concealment of a material fact or for intentional or negligent acts. Borrower assigns these rights, and any proceeds arising from these rights, as permitted by applicable law, to Lender. Lender may, at its option, enforce these rights in its own name and may apply any proceeds resulting from this assignment to sums secured by this Security Instrument after deducting any expenses, including attorneys' fees, incurred in enforcing these rights. At the request of Lender, Borrower will sign any further assignments or other documents that may be necessary to enforce this assignment.

**7. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or if any action or proceeding is commenced which might materially affect Lender's interest in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation, or to enforce laws or ordinances), or if Borrower abandons the Property, then Lender may do and pay for whatever it deems reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument. Lender's actions may include, without limitation, appearing in court, paying reasonable attorneys' fees, purchasing insurance required under Section 5 above (such insurance may cost more and provide less coverage than the insurance Borrower might purchase), and paying any sums secured by a lien which has priority over this Security Instrument. Any amounts disbursed by Lender under this Section 7 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment. Nothing contained in this Section 7 shall require Lender to incur any expense or take any action hereunder.

Lender also may charge Borrower fees for services performed in connection with Borrower's default for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by applicable law.

If Lender required mortgage insurance as a condition of making the loan, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

In the event Borrower is subject of a bankruptcy proceeding and delinquent amounts owing under the Note and/or this Security Instrument are to be paid according to a plan requiring approval of the bankruptcy court, Borrower agrees that such bankruptcy plan shall provide for interest on all delinquent amounts being paid through the plan (including, without limitation, principal, interest or periodic finance charges, fees and charges under the Note, and Lender advances, fees and charges under this Security Instrument) at the then-current rate of interest provided in the Note.

**8. Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause for the inspection.

**9. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security instrument with a lien which has priority over this Security Instrument.

**10. Borrower Not Released; Forbearance By Lender Not a Waiver; No Offset.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Section 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Security Instrument, but does not execute the Note, (a) is co-signing this Security Instrument only to grant and convey that Borrower's interest in the Property under the terms of this Security Instrument, (b) is not personally liable on the Note or under this Security Instrument, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Security Instrument or the Note, without that Borrower's consent and without releasing that Borrower or modifying this Security Instrument as to that Borrower's interest in the Property.

**12. Notice; Notice of Grievance.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing such notice by first class mail addressed to Borrower at the Property Address or at such other single address as Borrower may designate by notice to Lender as provided herein, and (b) except as permitted below for changes of address, any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other single address as Lender may designate by notice to Borrower as provided herein. Borrower may give notice to Lender of a change of address in writing or by calling Lender's customer service telephone number provided on Borrower's billing statement. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with this Section 12) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If applicable law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 16 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 12.

**13. Governing Law; Severability; Loan Charges.** This Security Instrument shall be governed by federal law, rules, and regulations, including those for federally chartered savings institutions and, to the extent federal law does not apply, by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Security Instrument and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

If a law which sets maximum loan charges is finally interpreted so that such law is applicable to Lender and that the interest or other loan charges collected or to be collected in connection with the Note or the Security Instrument exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

**14. Borrower's Copy; Modification; Clerical Errors; Replacement Documents.** Borrower shall be furnished a conformed copy of the Note and of this Security Instrument at the time of execution or after recordation hereof. The Note and/or this Security Instrument may be modified or amended only by an agreement in writing signed by Borrower and Lender. In the event Lender at any time discovers that the Note and/or this Security Instrument contains an error caused by a clerical mistake or calculation, computer, printing or similar error, Borrower agrees to reexecute the document(s) containing the error and to hold Lender harmless for any such error. If any document evidencing this loan is lost, stolen, mutilated or destroyed, and Lender delivers a signed indemnification in Borrower's favor, then Borrower agrees to sign and deliver to Lender a replacement document identical in form and content which will have the effect of the original for all purposes.

**15. Borrower's Loan Application.** Borrower shall be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note.

Lender extended Borrower this loan in reliance upon Borrower's representation in the loan application that Borrower intends to occupy the Property as Borrower's principal residence. Lender may have provided Borrower more favorable loan terms, such as a lower interest rate in the Note or a higher loan-to-value, than otherwise would have been made available in the absence of Borrower's representation. Borrower agrees to occupy, establish and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and to continue to occupy the Property as Borrower's principal residence for at least one year thereafter, unless extenuating circumstances exist which are beyond Borrower's control.

**16. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred), Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**17. Acceleration; Remedies.** Borrower will be in default if (a) the full minimum payment due under the Note, or any other payment required by the Note or this Security Instrument, is not made when it is due; (b) Borrower has engaged in fraud or made a material misrepresentation at any time in connection with the equity account evidenced by the Note; (c) Borrower takes any action or fails to take any action that adversely affects the Property or Lender's rights in the Property. If a default occurs (other than under Section 16 unless otherwise required by applicable law), Lender shall give notice to Borrower prior to acceleration. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 17, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

**18. Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Security Instrument due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Security Instrument discontinued at any time prior to entry of a judgment enforcing this Security Instrument or any such other earlier period as applicable law might specify for the termination of Borrower's right to reinstate, if: (a) Borrower pays Lender all sums which would be then due under this Security Instrument and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Security Instrument, and repays all Lender's expenses incurred in pursuing Lender's remedies as provided in Section 17 hereof, including, but not limited to, reasonable attorneys' fees; and (c) Borrower takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unimpaired. Upon such payment and cure by Borrower, this Security Instrument and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred. However, the right to reinstate shall not apply in the case of acceleration under Section 18.

**19. Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, and to the extent permitted by applicable law, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under Section 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under Section 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, maintenance and repairs of the Property, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument. Lender and the receiver shall be liable to account only for those rents actually received.

**20. Release.** Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted, whether expressly or by lack of express prohibition, under applicable law. If the fee charged does not exceed any maximum fee set by applicable law, the fee is conclusively presumed to be reasonable.

**21. Statement of Obligations.** Lender may furnish a statement of obligation, payoff demand statement, or any similar statement by delivering such statement by first class mail upon receipt of a written request. If Lender is requested by Borrower or Borrower's agent to deliver such statement by facsimile transmission, Lender may collect a special handling charge of \$10 for each such delivery and need not send a copy of such statement by first class mail.

**22. Homestead Waiver.** Borrower waives all rights and benefits of homestead exemption in the Property to the extent allowed by applicable law.

**23. Waiver of Appraisal Rights.** The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within 30 days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. **TO THE EXTENT PERMITTED BY LAW, THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.** This waiver shall not apply so long as the Property is used as a dwelling place as defined in §12-37-250 of the South Carolina Code of Laws.

24. ( ) **Indebtedness Secured.** The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to 150% of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

25. ( x ) **Quick Qualifying Loan.** Borrower applied for this loan under Lender's "Quick Qualifying" loan program. Borrower acknowledges that Lender relied upon certain statements of fact made by Borrower in approving the loan without requiring full documentation from Borrower and certain information verifications from third parties, enabling Borrower to obtain this loan rapidly. These statements included, but are not limited to, Borrower's certification that (a) except for any loan made by Lender concurrently with this loan, Borrower has no other "Quick Qualifying" loan with Lender, and (b) there are no undisclosed financial arrangements circumventing the terms of this loan transaction, including, but not limited to, unauthorized secondary financing, sales price adjustments, equity exchanges, credits to down payments or payments made outside escrow, or illusory transfers of title. Borrower agrees that Lender may deem Borrower to be in material breach of this section if any secondary financing is obtained, or an escrow is opened, on the Property within six months of the date of this Security Instrument. Borrower shall be in default if any material statements of fact or any of the above certifications were false or misleading, or if Borrower is in material breach of this Section.

Notwithstanding anything to the contrary in the Note or this Security Instrument, in the event of Borrower's default under this Section, Lender, at its option, may (1) accelerate the loan in accordance with Section 16 without Borrower having the right of reinstatement under Section 18, or (2) increase the applicable interest rate under the Note by two percentage points (2.00%) for the remaining term of the Note (but not to exceed any lifetime interest rate cap or any maximum rate allowed by applicable law) and make corresponding changes to Borrower's periodic payment amount in order to amortize the loan according to the Note.

26. ( ) **Affordable Housing Program.** The obligation evidenced by the Note is the repayment of down payment and/or closing cost assistance provided to Borrower through a Federal Home Loan Bank's Affordable Housing Program. Notwithstanding anything to the contrary in this Security Instrument, this Security Instrument may be subordinate to more than one instrument and interest does not accrue on down payment and/or closing cost assistance amounts. In the event of any conflict between the provisions of the Note and this Security Instrument, the Note provision shall prevail.

( X ) Value indicates that the paragraph applies.

**27. Future Advances.** This Security Instrument is given to secure (A) payment of the indebtedness including future advances and (B) performance of any and all obligations under the Note, the related agreements, and this Security Instrument. This Security Instrument secures a revolving line of credit under which advances, payments or readvances may be made from time to time in accordance with the Note. The maximum amount of advances secured by this Security Instrument is stated above. Borrower hereby agrees that if the outstanding unpaid balance of the revolving line of credit under the Note is ever reduced to zero the lien and security interest hereof shall remain in full force and effect to secure any future advances made under said revolving line of credit.

**28. Request for Notice.**

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE  
UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Security Instrument to give Notice to Lender at World Savings Bank, FSB, Attention: Default Administration, T6B0, 4101 Wiseman Boulevard, San Antonio, Texas 78251 of any default under the superior encumbrance and of any sale or other foreclosure action.

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BK K 633PG247

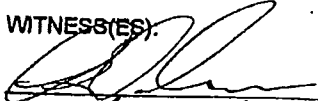
0046362257

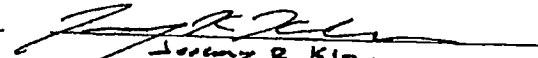
IN WITNESS WHEREOF, Borrower has executed this Security Instrument.


(PLEASE SIGN YOUR NAME EXACTLY AS IT APPEARS BELOW)

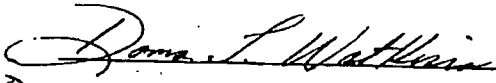
Signed, sealed and delivered in the presence of:

WITNESS(ES):

  
Andrew Dalton

  
BORROWER(S): Jeremy R. Kline

  
RONALD R WATKINS (Seal)

  
Donna L. WATKINS non-borrowing/non-vested spouse

ATTACH INDIVIDUAL NOTARY ACKNOWLEDGEMENT

SD878 (2004-03-1)

[F38 (2004-03-1)]

Page 15

[AL1 (2004-03-1)]

SC

ACKNOWLEDGMENT

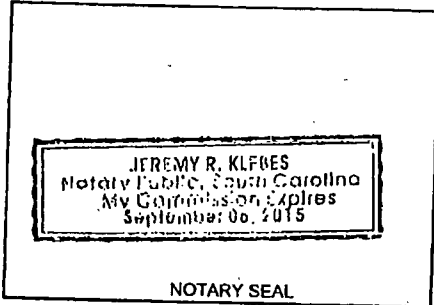
STATE OF South Carolina

COUNTY OF Charleston

On 6-18-07 before me, Jeremy R. Klebes, PERSONALLY APPEARED  
(DATE) NAME, TITLE OF OFFICER E.G. NOTARY PUBLIC

Donna L. Watkins and Ronald R. Watkins  
NAME(S) OF SIGNERS

personally known to me -or-  proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

[Signature]  
SIGNATURE OF NOTARY

MY COMMISSION EXPIRES ON: 09-06-2015

Description of Attached Document:

Title to Type of Document: Acknowledgement

Document Date: 6-18-07 Number of Pages: 1

Signers Other Than Named Above: \_\_\_\_\_

EXHIBIT "A"

BK K 633PG249

THE FOLLOWING DESCRIBED REAL PROPERTY TO WIN:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND, WITH THE BUILDINGS AND IMPROVEMENTS THEREON OR TO BE BUILT THEREON, SITUATE LYING AND BEING IN THE COUNTY OF CHARLESTON, STATE OF SOUTH CAROLINA, KNOWN AND DESIGNATED AS LOT 3 BLOCK B, ASHLAND PLANTATION, AS SHOWN ON A PLAT ENTITLED "SUBDIVISION PLAT OF ASHLAND PLANTATION", PREPARED BY GEORGE A. Z. JOHNSON, JR., INC., DATED JULY 15, 1987 AND BEING DULY RECORDED IN THE R. M. C. OFFICE FOR CHARLESTON COUNTY IN PLAT BOOK 80, PAGE 91. THE SAID LOT HAVING SUCH DISTANCES, COURSES, METES AND BOUNDS AS WILL BY REFERENCE TO SAID PLAT MORE FULLY APPEAR.

BEING THAT PARCEL OF LAND CONVEYED FROM GRANTOR JOE FORD CONSTRUCTION, A LIMITED PARTNERSHIP TO GRANTEE RONALD R. WATKINS BY THE DEED DATED 10/19/1989 AND RECORDED 10/20/1989 IN DEED BOOK 188 PAGE 294 OF CHARLESTON COUNTY, SOUTH CAROLINA PUBLIC REGISTRY.

FOR INFORMATIONAL PURPOSES ONLY: THE APN IS SHOWN BY THE COUNTY ASSESSOR AS 356-01-00-041; SOURCE OF TITLE IS BOOK 188, PAGE 294 (RECORDED 10/20/89)

C

**PLANNED UNIT DEVELOPMENT RIDER**

**LOAN NUMBER: 0046362257**

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 15th day of June, 2007 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to WORLD SAVINGS BANK, FSB,, ITS SUCCESSORS AND/OR ASSIGNEES, (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

**2383 RICE POND RD, CHARLESTON, SC 29414-6673**

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in EXHIBIT "A" attached incorporated herein (the "Declaration"). The Property is a part of a planned unit development known as:

**Ashland Plantation**

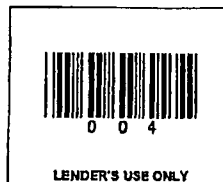
[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowner association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

**PUD COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. PUD Obligations.** Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

**B. Property Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other



BK K 633PG251

0046362257

hazards, including, but not limited to, earthquakes and floods, from which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

**C. Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

**D. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

**E. Lender's Prior Consent.** Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

**F. Remedies.** If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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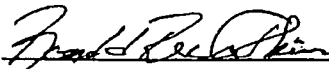
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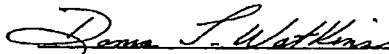
0046362257

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this PUD Rider.

(PLEASE SIGN YOUR NAME EXACTLY AS IT APPEARS BELOW)

BORROWER(S):

  
\_\_\_\_\_  
(Seal)  
RONALD R WATKINS

  
\_\_\_\_\_  
non-borrowing/non-vested spouse

Mailing Address: 2363 RICE POND RD, CHARLESTON, SC 29414-6573

ATTACH INDIVIDUAL NOTARY ACKNOWLEDGEMENT

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3160 1/01  
SD448 (2004-03-1) Page 3 of 3

SC

{X02 (2004-03-01)}

4/11/07

BK K 633PG253  
**RECORDER'S PAGE**

**NOTE: This page MUST remain with the original document**



**FILED**  
July 24, 2007  
10:06:21 AM  
  
BK K 633PG233  
Charlie Lybrand, Register  
Charleston County, SC

Filed By:

Lenders First Choice  
  
3850 Royal Ave.  
Simi Valley CA 93063  
env

Number of Pages:

21

DESCRIPTION	AMOUNT
	\$ 26.00
Postage	

**TOTAL** \$ 26.00

DRAWER:

C - cfb

DO NOT STAMP BELOW THIS LINE

EXHIBIT D

LENDERS FIRST CHOICE (NSS)

**UNITED GENERAL TITLE INSURANCE COMPANY**

**Commitment Number: 51-00611669**

**SCHEDULE A**

1. Commitment Date: June 06, 2007 at 8:00 a.m.

2. Policy (or Policies) to be issued:

(a)ALTA OWNER'S POLICY 10-17-92 Policy Amount  
Proposed Insured:

(b)ALTA LOAN POLICY 10-17-92 Policy Amount \$398,000.00  
Proposed Insured: WORLD SAVINGS - SAFTE  
its successors and/or its assigns

(c)  
Policy Amount  
Proposed Insured:  
its successors and/or its assigns

3. Fee Simple Interest in the land described in this Commitment is owned, at the Commitment Date by:

RONALD R. WATKINS

4. The land referred to in this Commitment is described as follows:

(SEE ATTACHED EXHIBIT A)  
COMMONLY KNOWN AS: 2363 RICE POND ROAD  
CHARLESTON SC 29414-6573

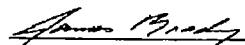
This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.

Issued by: LENDERS FIRST CHOICE (NSS)  
373 INVERNESS PARKWAY  
STE 100  
CENTENNIAL, CO 80112

PHONE: (866) 350-5481 FAX: (866) 600-9752

Agent for: UNITED GENERAL TITLE INSURANCE COMPANY

Countersigned: LENDERS FIRST CHOICE (NSS)



Reviewed By: INFIN110

LENDERS FIRST CHOICE (NSS)

Commitment for Title Insurance - No. 51-00611669

**SCHEDULE B-I**  
**(Requirements)**

THE FOLLOWING REQUIREMENTS MUST BE MET:

The following requirements are to be complied with to the satisfaction of the Title Insurance Company:

1. Instruments in insurable form which must be executed, delivered and duly filed of record:

A proper Mortgage/Deed of Trust from: RONALD R. WATKINS

2. Proof of positive satisfactory ID at closing.

3. If any mortgages on Schedule B-II show the mortgage to be an individual, LFC requires a copy of a properly executed Satisfaction of Mortgage to remove the mortgage from the final title policy. If any mortgages on Schedule B-II are Open End or Credit Line Mortgages, LFC requires a payoff letter signed by the borrowers authorizing the closing of the account.

4. Pay all taxes, charges, assessments, levied and assessed against subject premises, which are due and payable.

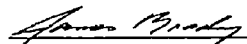
5. LFC must be notified in writing the name of anyone not referred to in this Commitment who will get an interest in the subject premises or who will make a loan on the subject premises. We may then make additional requirements or exceptions.

6. There are no conveyance affecting said land, recorded within twenty-four (24) months of the date of this report; except as follows: (NONE)

This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.

Issued by: LENDERS FIRST CHOICE (NSS)  
373 INVERNESS PARKWAY  
STE 100  
CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752  
Agent for: UNITED GENERAL TITLE INSURANCE COMPANY

Countersigned: LENDERS FIRST CHOICE (NSS)



Reviewed By: INFIN110

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

SCHEDULE B-II

The following matters will appear as exceptions from coverage on your title insurance policy unless disposed of to the satisfaction of the company.

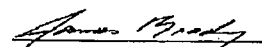
1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date of the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Encroachments, overlaps, boundary line disputes, shortages in area, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
3. Any disputes as to boundaries caused by a change in the location of any water body within or adjacent to the land prior to the date of policy, and any adverse claim to all or part of the land, that is at Date of Policy, or was previously under water.
4. Any fact, rights, interest or claims which are not shown by the public record but which could be ascertained by an accurate survey of the land or by making inquiry of persons in possession thereof.
5. Rights or claims of parties in possession not shown by the public records.
6. Any lien or right to lien, for services, labor or material imposed by law and not shown by public record.
7. Covenants, conditions, restrictions, easements, leases, servitudes, grants or reservations of minerals or mineral rights retained by prior owners, if any appearing in the public record.
8. Taxes or special assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public record. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or the public record.
9. Taxes as references on the attached "Tax Sheet."
10. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.

Issued by: **LENDERS FIRST CHOICE (NSS)**  
373 INVERNESS PARKWAY  
STE 100

Countersigned: **LENDERS FIRST CHOICE (NSS)**

CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752



Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

**Page 4**

11. Upon request of the proposed insured and payment of any applicable premium The Company hereby assures the proposed Insured that this item will be deleted and an endorsement, where allowed statutorily, deleting the compulsory arbitration condition and stipulation from the policy to be issued herein will be attached to said policy.

---

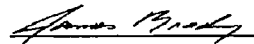
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STE 100  
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Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Countersigned: **LENDERS FIRST CHOICE (NSS)**



Reviewed By: **INFIN110**

LENDERS FIRST CHOICE (NSS)

Commitment for Title Insurance - No. 51-00611669

**SCHEDULE B-II**  
**(Exceptions)**

1. DEED OF TRUST/MORTGAGE FROM RONALD R. WATKINS TO FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF CHARLESTON., A FEDERALLY-CHARTERED THRIFT COMPANY, DATED 06/04/2003, RECORDED 06/10/2003, IN BOOK 452, PAGE 847, IN THE AMOUNT OF \$405,000.00.  
OPEN END MORTGAGE: NO

2. DEED OF TRUST/MORTGAGE FROM RONALD R. WATKINS TO WACHOVIA BANK., A NATIONAL ASSOCIATION, DATED 01/11/2005, RECORDED 01/26/2005, IN BOOK W523, PAGE 453, IN THE AMOUNT OF \$75,000.00.  
OPEN END MORTGAGE: YES

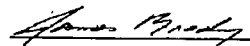
THE ABOVE LIEN APPEARS TO SECURE A HOME EQUITY TYPE OF LOAN. IF THIS LOAN IS TO BE PAID OFF AND RECONVEYED THROUGH THIS TRANSACTION, THE COMPANY WILL REQUIRE A WRITTEN STATEMENT FROM THE BENEFICIARY/MORTGAGEE THAT THE ACCOUNT HAS BEEN FROZEN; AND THE DEMAND FOR PAYOFF MUST PROVIDE THAT A RECONVEYANCE/RELEASE WILL BE ISSUED UPON PAYMENT OF THE AMOUNTS SHOWN THEREIN.

3. Type of Lien: SMALLCLAIMS  
Debtor: RONALD WATKINS  
In favor of: CITIFINANCIAL  
Amount: as stated therein  
Cause/Case no.: 2002-SC-86-003360  
Court name/no.: SMALL CLAIMS COURT CASE-LIQUID  
Dated: 06/12/2007

This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.

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373 INVERNESS PARKWAY  
STE 100  
CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752  
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Countersigned: LENDERS FIRST CHOICE (NSS)



Reviewed By: INFIN110

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

**RECORDING INFORMATION**

**SC Charleston County**

**id: 2593-SC014-45019-08-00**

**Address:**

**US Postal Service Delivery**

Attn: Real Estate Recording  
Charleston County Register of Mesne  
Conveyances  
P.O. Box 726  
Charleston, SC 29402

**Courier Delivery**

Attn: Real Estate Recording  
Charleston County Register of Mesne  
Conveyances  
2 Courthouse Square, Room 201  
Meeting Street  
Charleston, SC 29401

**Phone:** (EST) 843-958-4800

**Fax:** 843-720-2210

**Make Checks Payable To:** Charleston County Register of Mesne Conveyances

**Courthouse Hours:** 8:30AM-5PM

**Basic Recording Fees:**

Déed/Deed of Trust/Mortgage \$10.00 up to and including four pages  
Amendment/Modification \$6.00 per reference plus additional page fee after first page  
Assignment \$6.00 per reference plus additional page fee after first page  
Satisfaction \$5.00 per mortgage (see note 1)

**Additional Recording Fees:**

Additional pages and attachments \$1.00 per additional page  
No stamped return envelope \$0.50 per document

**Transfer and Financing Fees/Taxes:**

State & County Recording Fee 1.85 per \$500 or fraction thereof consideration based on deed transfer amt.

**Searches, Copies and Certification:**

Certification \$5.00 per document

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373 INVERNESS PARKWAY  
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PHONE: (866) 350-5481 FAX: (866) 600-9752  
**Agent for:** UNITED GENERAL TITLE INSURANCE COMPANY

**Countersigned:** LENDERS FIRST CHOICE (NSS)

**Reviewed By:** INFIN110

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

**Page 7**

**Document/Recording Notes:**

Blanket assignments are not accepted. Blanket releases are not accepted.  
Document numbering system: Book & Page. Example: L 180 Pg 006  
Original document is not returned.  
A self addressed stamped envelope is required.  
Partial release of a mortgage is \$6.00 plus \$1.00 per page after the first.  
When there is a Deed, to include a "Affidavit for Exempt Transfers". This needs to be signed by the Grantor, Grantee, or Attorney. These forms need to be part of the signing packages.

Common document errors include incorrect fee, witnesses missing, grantee address missing, derivation statement missing from deed, signature does not match with printed names, and illegible document.  
Legal description required only with deeds and mortgages (trust deeds).  
In subsequent related documents, include references to all previously recorded documents

We have made every effort to insure the accuracy of this recording information. However, due to the frequency with which courthouses revise their fees and other specifications, we cannot assume liability for any discrepancy in recording fees or taxes. Please call the courthouse at the above number to verify amounts prior to closing. In the event that amounts have changed, please notify us so that we may update our records.

**Document Format:**

Paper Quality: White, 20lb  
Page Size: 8 1/2" X 11" or 8 1/2" X 14"  
First Page: 3 1/2" top margin; right hand 5" blank. Name and address of preparer and return to address in left hand 3 1/2". 1" other margins  
Other Pages: 1" all margins

Print: Typed or computer generated, at least 10 point in black ink.

Title or Description: Include a description stating the nature of the instrument  
Legibility Standard: Legible for photoreproduction

---

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PHONE: (866) 350-5481 FAX: (866) 600-9752  
Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

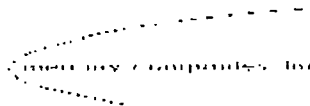
Countersigned: **LENDERS FIRST CHOICE (NSS)**



Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**



**Privacy Policy of Mercury Companies, Inc.  
And Lenders First Choice**

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, you have provided or will provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize personal information you provide to us.

**Applicability**

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity.

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer-reporting agency.

**Use of Information**

The information you provide us is for our own legitimate business purposes and not for the benefit of any affiliated or nonaffiliated party. Therefore, we will not release your information to affiliated and nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities that need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

---

This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.

Issued by: **LENDERS FIRST CHOICE (NSS)**  
373 INVERNESS PARKWAY  
STE 100  
CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752

Countersigned: **LENDERS FIRST CHOICE (NSS)**  


Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

EXHIBIT "A"

THE FOLLOING DESCRIBRD REAL PROPERTY TO WIN:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND, WITH THE BUILDINGS AND IMPROVEMENTS THEREON OR TO BE BUILT THEREON, SITUATE LYING AND BEING IN THE COUNTY OF CHARLESTON, STATE OF SOUTH CAROLINA, KNOWN AND DESIGNATED AS LOT 3 BLOCK B, ASHLAND PLANTATION, AS SHOWN ON A PLAT ENTITLED "SUBDIVISION PLAT OF ASHLAND PLANTATION", PREPARED BY GEORGE A.Z. JOHNSON, JR., INC., DATED JULY 15, 1987 AND BEING DULY RECORDED IN THE R.M.C. OFFICE FOR CHARLESTON COUNTY IN FLAT BOOK 80, PAGE 91. THE SAID LOT HAVING SUCH DISTANCES, COURSES, METES AND BOUNDS AS WILL BY REFERENCE TO SAID PLAT MORE FULLY APPEAR.

FOR INFORMATIONAL PURPOSES ONLY: THE APN IS SHOWN BY THE COUNTY ASSESSOR AS 356-01-00-041; SOURCE OF TITLE IS BOOK 188, PAGE 294 (RECORDED 10/20/89)

# TAX CERTIFICATION

LENDERS FIRST CHOICE (NSS)

PHONE: (866) 350-5481 FAX: (866) 600-9752

Date of Search	06/06/2007
Search As Of	06/06/2007

Code	RF	Cost	\$0.00
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WORLD SAVINGS - SAETE  
ATTENTION: GENET SOLOMON  
LOAN NO: 0046306056  
GENET SOLOMON  
4101 WISEMAN BLVD  
SAN ANTONIO TX 78251  
PHONE: (866) 227-8352 FAX: ( ) -

Re WATKINS, RONALD R	Sub No. 51-66500015
2363 RICE POND ROAD CHARLESTON SC 29414-6573	
County CHARLESTON	Order No. 51-00611669

TITLE INSURANCE PREMIUM: \$797.00

COUNTY		
TAXING AUTHORITY	ACCOUNT NUMBER	
CHARLESTON COUNTY	356-01-00-041	
TAX COLLECTOR	TAX COLLECTOR ADDRESS	
CHARLESTON COUNTY TAX COLLECTOR	2 COURTHOUSE SQUARE, #108	
TAX COLLECTOR PHONE NO.	CHARLESTON SC 29401	
(843)958-4360 x		
AMOUNT DELINQUENT	AMOUNT PAID	DATE PAID
\$0.00	\$2,968.97	12/14/2006
ESTIMATED ANNUAL TAX	GOOD THROUGH DATE	DATE NEXT TAX DUE
\$2,968.97		01/15/2008
COMMENTS		
**EST**2006 OUT IN OCTOBER DUE BY 01/15/07 IS PAID (\$2968.97), 2007 OUT IN OCTOBER DUE BY 01/15/08, DELINQUENT AFTER 01/15/08.		

>>>>>> \*\* IMPORTANT NOTE: The amounts listed are subject to FINAL VERIFICATION upon receipt of funds PRIOR TO DISBURSEMENT. \*\*<<<<<<<<

\*\*\* PLEASE RETAIN FAX AS YOUR ORIGINAL COPY \*\*\*

EXHIBIT E

LENDERS FIRST CHOICE (NSS)

UNITED GENERAL TITLE INSURANCE COMPANY

Commitment Number: 51-00611669

SCHEDULE A

1. Commitment Date: June 06, 2007 at 8:00 a.m.
2. Policy (or Policies) to be issued:
  - (a) ALTA OWNER'S POLICY 10-17-92 Policy Amount  
Proposed Insured:
  - (b) ALTA LOAN POLICY 10-17-92 Policy Amount \$447,200.00  
Proposed Insured: WORLD SAVINGS - SAFTE  
its successors and/or its assigns
  - (c)  
Policy Amount  
Proposed Insured:  
its successors and/or its assigns
3. Fee Simple Interest in the land described in this Commitment is owned, at the Commitment Date by:  
RONALD R. WATKINS
4. The land referred to in this Commitment is described as follows:  
(SEE ATTACHED EXHIBIT A)  
COMMONLY KNOWN AS: 2363 RICE POND ROAD  
CHARLESTON SC 29414-6573

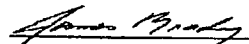
This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.

Issued by: LENDERS FIRST CHOICE (NSS)  
373 INVERNESS PARKWAY  
STE 100

CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752

Agent for: UNITED GENERAL TITLE INSURANCE COMPANY

Countersigned: LENDERS FIRST CHOICE (NSS)



Reviewed By: INFIN110

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

**SCHEDULE B-I**  
**(Requirements)**

THE FOLLOWING REQUIREMENTS MUST BE MET:

The following requirements are to be complied with to the satisfaction of the Title Insurance Company:

1. Instruments in insurable form which must be executed, delivered and duly filed of record:  
A proper Mortgage/Deed of Trust from: RONALD R. WATKINS
2. Proof of positive satisfactory ID at closing.
3. If any mortgages on Schedule B-II show the mortgage to be an individual, LFC requires a copy of a properly executed Satisfaction of Mortgage to remove the mortgage from the final title policy. If any mortgages on Schedule B-II are Open End or Credit Line Mortgages, LFC requires a payoff letter signed by the borrowers authorizing the closing of the account.
4. Pay all taxes, charges, assessments, levied and assessed against subject premises, which are due and payable.
5. LFC must be notified in writing the name of anyone not referred to in this Commitment who will get an interest in the subject premises or who will make a loan on the subject premises. We may then make additional requirements or exceptions.
6. There are no conveyance affecting said land, recorded within twenty-four (24) months of the date of this report; except as follows: (NONE)

**This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.**

Issued by: **LENDERS FIRST CHOICE (NSS)**  
373 INVERNESS PARKWAY  
STE 100

Countersigned: **LENDERS FIRST CHOICE (NSS)**

CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752

Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

SCHEDULE B-II

The following matters will appear as exceptions from coverage on your title insurance policy unless disposed of to the satisfaction of the company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date of the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Encroachments, overlaps, boundary line disputes, shortages in area, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
3. Any disputes as to boundaries caused by a change in the location of any water body within or adjacent to the land prior to the date of policy, and any adverse claim to all or part of the land, that is at Date of Policy, or was previously under water.
4. Any fact, rights, interest or claims which are not shown by the public record but which could be ascertained by an accurate survey of the land or by making inquiry of persons in possession thereof.
5. Rights or claims of parties in possession not shown by the public records.
6. Any lien or right to lien, for services, labor or material imposed by law and not shown by public record.
7. Covenants, conditions, restrictions, easements, leases, servitudes, grants or reservations of minerals or mineral rights retained by prior owners, if any appearing in the public record.
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10. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

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Issued by: **LENDERS FIRST CHOICE (NSS)**  
373 INVERNESS PARKWAY

Countersigned: **LENDERS FIRST CHOICE (NSS)**

STE 100  
CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752



Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

**Page 4**

11. Upon request of the proposed insured and payment of any applicable premium The Company hereby assures the proposed Insured that this item will be deleted and an endorsement, where allowed statutorily, deleting the compulsory arbitration condition and stipulation from the policy to be issued herein will be attached to said policy.

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CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752



Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

**SCHEDULE B- II**  
**(Exceptions)**

1. DEED OF TRUST/MORTGAGE FROM RONALD R. WATKINS TO FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF CHARLESTON., A FEDERALLY-CHARTERED THRIFT COMPANY, DATED 06/04/2003, RECORDED 06/10/2003, IN BOOK 452, PAGE 847, IN THE AMOUNT OF \$405,000.00.  
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THE ABOVE LIEN APPEARS TO SECURE A HOME EQUITY TYPE OF LOAN. IF THIS LOAN IS TO BE PAID OFF AND RECONVEYED THROUGH THIS TRANSACTION, THE COMPANY WILL REQUIRE A WRITTEN STATEMENT FROM THE BENEFICIARY/MORTGAGEE THAT THE ACCOUNT HAS BEEN FROZEN; AND THE DEMAND FOR PAYOFF MUST PROVIDE THAT A RECONVEYANCE/RELEASE WILL BE ISSUED UPON PAYMENT OF THE AMOUNTS SHOWN THEREIN.

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Debtor: RONALD WATKINS  
In favor of: CITIFINANCIAL  
Amount: as stated therein  
Cause/Case no.: 2002-SC-86-003360  
Court name/no.: SMALL CLAIMS COURT CASE-LIQUID  
Dated: 06/12/2007

UPON RECEIPT OF A PROPERLY EXECUTED NOT ME AFFIDAVIT, ABOVE JUDGMENT WILL NOT APPEAR ON FINAL TITLE POLICY.

---

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STE 100  
CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752

Countersigned: **LENDERS FIRST CHOICE (NSS)**



Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

RECORDING INFORMATION

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id: 2593-SC014-45019-08-00

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Conveyances  
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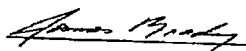
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373 INVERNESS PARKWAY  
STE 100

Countersigned: **LENDERS FIRST CHOICE (NSS)**

CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752



Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**

**Page 7**

**Document/Recording Notes:**

Blanket assignments are not accepted. Blanket releases are not accepted.  
 Document numbering system: Book & Page. Example: L 180 Pg 006  
 Original document is not returned.  
 A self addressed stamped envelope is required.  
 Partial release of a mortgage is \$6.00 plus \$1.00 per page after the first.  
 When there is a Deed, to include a "Affidavit for Exempt Transfers". This needs to be signed by the Grantor, Grantee, or Attorney. These forms need to be part of the signing packages.

Common document errors include incorrect fee, witnesses missing, grantee address missing, derivation statement missing from deed, signature does not match with printed names, and illegible document.  
 Legal description required only with deeds and mortgages (trust deeds):  
 In subsequent related documents, include references to all previously recorded documents

We have made every effort to insure the accuracy of this recording information. However, due to the frequency with which courthouses revise their fees and other specifications, we cannot assume liability for any discrepancy in recording fees or taxes. Please call the courthouse at the above number to verify amounts prior to closing. In the event that amounts have changed, please notify us so that we may update our records.

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Paper Quality: White, 20lb  
 Page Size: 8 1/2" X 11" or 8 1/2" X 14"  
 First Page: 3 1/2" top margin; right hand 5" blank. Name and address of preparer and return to address in left hand 3 1/2". 1" other margins  
 Other Pages: 1" all margins

Print: Typed or computer generated, at least 10 point in black ink.

Title or Description: Include a description stating the nature of the instrument  
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This commitment is valid and binding for a period of 180 days from the date hereof. Thereafter it is void and of no effect.

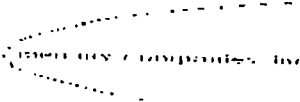
Issued by: **LENDERS FIRST CHOICE (NSS)**  
 373 INVERNESS PARKWAY  
 STE 100  
 CENTENNIAL, CO 80112  
 PHONE: (866) 350-5481 FAX: (866) 600-9752  
 Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Countersigned: **LENDERS FIRST CHOICE (NSS)**

Reviewed By: **INFIN110**

**LENDERS FIRST CHOICE (NSS)**

**Commitment for Title Insurance - No. 51-00611669**



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And Lenders First Choice**

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Issued by: **LENDERS FIRST CHOICE (NSS)**  
373 INVERNESS PARKWAY

Countersigned: **LENDERS FIRST CHOICE (NSS)**

STE 100  
CENTENNIAL, CO 80112  
PHONE: (866) 350-5481 FAX: (866) 600-9752

Agent for: **UNITED GENERAL TITLE INSURANCE COMPANY**

Reviewed By: **INFIN110**

EXHIBIT "A"

THE FOLLOING DESCRIBRD REAL PROPERTY TO WIN:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND, WITH THE BUILDINGS AND IMPROVEMENTS THEREON OR TO BE BUILT THEREON, SITUATE LYING AND BEING IN THE COUNTY OF CHARLESTON, STATE OF SOUTH CAROLINA, KNOWN AND DESIGNATED AS LOT 3 BLOCK B, ASHLAND PLANTATION, AS SHOWN ON A FLAT ENTITLED "SUBDIVISION FLAT OF ASHLAND PLANTATION", PREPARED BY GEORGE A. Z. JOHNSON, JR., INC., DATED JULY 15, 1987 AND BEING DULY RECORDED IN THE R.M.C. OFFICE FOR CHARLESTON COUNTY IN FLAT BOOK 80, PAGE 91. THE SAID LOT HAVING SUCH DISTANCES, COURSES, METES AND BOUNDS AS WILL BY REFERENCE TO SAID FLAT MORE FULLY APPEAR.

FOR INFORMATIONAL PURPOSES ONLY: THE APN IS SHOWN BY THE COUNTY ASSESSOR AS 356-01-00-041; SOURCE OF TITLE IS BOOK 188, PAGE 294 (RECORDED 10/20/89)

# TAX CERTIFICATION

LENDERS FIRST CHOICE (NSS)

PHONE: (866) 350-5481 FAX: (866) 600-9752

Date of Search/ 06/06/2007

Search As Of 06/06/2007

Code RF Cost \$0.00

WORLD SAVINGS - SAFTS  
ATTENTION: GENET SOLOMON  
LOAN NO: 0046306056  
GENET SOLOMON  
4101 WISEMAN BLVD  
SAN ANTONIO TX 78251  
PHONE: (866) 227-8352 FAX: ( ) -

Re  
WATKINS, RONALD R  
Sub No.  
51-66500015

2363 RICE POND ROAD  
CHARLESTON SC 29414-6573

County  
CHARLESTON  
Order No.  
51-00611669

TITLE INSURANCE PREMIUM: \$884.00

COUNTY		
TAXING AUTHORITY	ACCOUNT NUMBER	
CHARLESTON COUNTY	356-01-00-041	
TAX COLLECTOR	TAX COLLECTOR ADDRESS	
CHARLESTON COUNTY TAX COLLECTOR	2 COURTHOUSE SQUARE, #108	
TAX COLLECTOR PHONE NO.	CHARLESTON SC 29401	
(843) 958-4360 x		
AMOUNT DELINQUENT	AMOUNT PAID	DATE PAID
\$0.00	\$2,968.97	12/14/2006
ESTIMATED ANNUAL TAX	GOOD THROUGH DATE	DATE NEXT TAX DUE
\$2,968.97		01/15/2008
COMMENTS		
**EST**2006 OUT IN OCTOBER DUE BY 01/15/07 IS PAID (\$2968.97), 2007 OUT IN OCTOBER DUE BY 01/15/08, DELINQUENT AFTER 01/15/08.		

>>>>>> \*\* IMPORTANT NOTE: The amounts listed are subject to FINAL VERIFICATION upon receipt of funds PRIOR TO DISBURSEMENT. \*\* <<<<<<<<

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**Your Title Commitment Follows**

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

IN THE COURT OF COMMON PLEAS  
FOR THE NINTH JUDICIAL CIRCUIT  
2010-CP-10-6945

Wells Fargo Bank, N.A., )  
 )  
PLAINTIFF, )

**AFFIDAVIT IN SUPPORT OF RESPONSE**  
**IN OPPOSITION TO PLAINTIFF'S**  
**MOTION FOR SUMMARY**  
**JUDGMENT**

v. )  
 )  
Ronald R. Watkins and Ashland Plantation )  
Property Owners Association, Inc., )  
 )  
DEFENDANT(S). )

PERSONALLY appeared before me, Ronald R. Watkins, who being duly sworn, states:

1. I am over the age of 18 years, and I am one of the Defendants in the above-captioned matter. I am not under the influence of any substance, duress, or otherwise that would affect in any manner my sworn statement herein.
2. I am fully familiar with the facts stated herein and alleged in the Complaint, Answer and Counterclaim, and furthermore, I confirm and reaffirm the facts validity contained in the Answer and Counterclaim.
3. The real estate closing of the subject matter loans were conducted at a Wachovia branch in Charleston, South Carolina by a bank employee, who witnessed my signing of the real estate closing documents.
4. The real estate loan closing documents reflect Wachovia's use of a title agency, which oversaw the closing, which may include but is not limited to the preparing and recording of closing documents, preparing and issuance of a preliminary and final title policies, title search, requesting of payoffs, and disbursement of funds.
5. I seek that this Honorable Court void, in law and equity, the Plaintiff's subject matter promissory notes and mortgages.

**FURTHER AFFIANT SAITH NOT!**

  
RONALD R. WATKINS

SWORN to before me this  
28 day of October, 2013.



NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 11/12/14

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

---

APPEAL FROM CHARLESTON COUNTY  
Court of Common Pleas

Mikell R. Scarborough, Master-in-Equity

---

Case No.: 2010-CP-10-6945

---

Wells Fargo Bank, N.A., *et al.*, ..... Respondent,  
v.  
Ronald R. Watkins, ..... Appellant.

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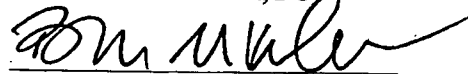
NOTICE OF APPEAL

---

Ronald R. Watkins appeals the Order of the Honorable Mikell R. Scarborough dated May 28, 2014 and filed May 29, 2014. Appellant received written notice of the entry of the Order on June 6, 2014.

June 20, 2014

KNOWLES LAW FIRM, PC



BRIAN M. KNOWLES

P.O. Box 50201

Summerville, SC 29485

(843) 810-7596

Attorney for Appellant

**RECEIVED**

JUN 26 2014

**SC Court of Appeals**

**Other Counsel of Record:**

**Thomas E. Lydon, Esquire  
P.O. Box 12519  
Columbia, SC 29211**

**Attorney for Respondent Wells Fargo Bank, N.A.**

1 STATE OF SOUTH CAROLINA)  
 2 COUNTY OF CHARLESTON) : IN THE COURT OF COMMON PLEAS  
 3 WELLS FARGO BANK, NA, ) CASE NO. 2010-CP-10-6945  
 4 Plaintiff(s), )  
 5 -vs ) HEARING  
 6 RONALD R. WATKINS, )  
 7 Defendant(s), )  
 -----)

8  
 9  
 10 Given before The Honorable Judge Mikell Scarborough in  
 11 the Charleston County Courthouse, 100 Broad Street, Suite  
 12 266, Charleston, South Carolina on Monday, April the 21,  
 13 2014, commencing at 3:45 o'clock p.m.

14  
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 20 -----  
 21 RAY SWARTZ & ASSOCIATES OF SOUTH CAROLINA  
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A-P-P-E-A-R-A-N-C-E-S

For the Plaintiff : McAngus Goude-lock & Courie  
By: Thomas Lydon, Esq.,  
1320 Main Street - 10th Floor  
Columbia, SC 29201

For the Defendant : Ameika Law, LLC  
By: Walter Ameika, Esq.,  
2170 Ashley Phosphate Rd. Ste620  
N. Charleston, SC 29406

INDEX TO EXHIBITS

(None were marked.)

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1 THE COURT: Which one are you here for?

2 MR. AMEIKA: Wells Fargo v. Watson.

3 THE COURT: And Walter, are you taking over from  
4 Brian Knowles?

5 MR. AMEIKA: No, we're sort of in this together.

6 THE COURT: You represent Mr. Watkins, correct?

7 MR. AMEIKA: Yes, that's correct.

8 THE COURT: Has anybody appeared for Ashley  
9 Plantation?

10 MR. AMEIKA: No.

11 THE COURT: This case has been up on appeal; came  
12 back down. I saw that.

13 MR. AMEIKA: Yes.

14 THE COURT: That was as far back as I got in the  
15 history of this case. And it looks to me like plaintiff has  
16 filed their motion for summary judgment. And now, I've just  
17 received from Mr. Walter Ameika his response and opposition  
18 thereto. Mr. Lydon, I saw the motion. I think there was an  
19 affidavit attached setting forth some of the debt.

20 MR. LYDON: Yes.

21 THE COURT: All right. Non-payment since, I can't  
22 remember what he said it was. It's been a while.

23 MR. LYDON: Right. Since 2009.

24 THE COURT: Mr. Ameika, tell me what your response  
25 is. You've got an affidavit in here?

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1 MR. AMEIKA: Yes, I do. And Mr. Lydon received it  
2 on Friday.

3 MR. LYDON: I did.

4 THE COURT: What does Mr. Watkins say? He says  
5 he's been paying?

6 MR. AMEIKA: No. Mr. Watkins doesn't say he's  
7 been paying. Mr. Watkins is of the view that he should  
8 never have to pay, primarily because of the fact that  
9 Wachovia, and now Wells Fargo, I believe -- was this a  
10 Wachovia loan at one time?

11 MR. LYDON: I think so.

12 MR. AMEIKA: I think it was Wachovia. Closed the  
13 loan without counsel, without an attorney in contravention  
14 of South Carolina law, in particularly, you know, unlawful  
15 practice of law. Now, there have been various cases that  
16 have been involved with this particular issue. And  
17 particularly they're set forth here. And the Court's aware  
18 of Matrix and it's progeny and the fact that when this was  
19 on appeal last time this very issue was raised to the court  
20 of appeals. And they just dodged it. And then on the case  
21 with the sailboat, and that's not Matrix. That was the  
22 other one.

23 THE COURT: That's Causey.

24 MR. AMEIKA: Yeah. In Causey, you know, relief  
25 was granted but it didn't, you know, Matrix was talking

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1 about respective use of the thing. We distinguish that.  
2 And it's primarily set forth in the second response. The  
3 first response is the normal response one would expect in  
4 one of these type of things quoting the law, matter of  
5 Strack (ph), and all these cases.

6 But in this particular thing, I'll just read, this case  
7 is distinguishable from Matrix in that the Matrix decisions,  
8 Matrix one and two I guess you could say, related to the  
9 issue of equitable subrogation raised by a lienholder, not  
10 the owner who is direct affected by the banks that legally  
11 authorize the practice of law.

12 Further, this case is distinguished from BAC Home Loan  
13 Servicing versus Kinder. And that was the decision that  
14 came down and saved my learned opponent the last time we  
15 were down here in which we moved for summary judgment. And  
16 the judge threw his hands up. In which the Kinder dealt  
17 with the unauthorized practice of law dealing with an  
18 assignee or lienholder seeking surplus funds.

19 At hand the victim here is an actual homeowner who was  
20 present at the loan closing and was directly impacted by the  
21 bank's unauthorized practice of law, which they admitted to.  
22 The legal concept of not legally or equitably being able to  
23 seek to enforce something that arose out of illegal conduct  
24 is historically well grounded.

25 And that's primarily our argument, Your Honor. There

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1 has to be some kind of responsibility on the part of the  
2 bank. They were well aware of what they were doing. And  
3 yes, Mr. Watkins, has not made a payment. Bad things have  
4 happened to him and his family over the multiple years that  
5 have occurred since the time they went into default. But  
6 that is basically in a nutshell our position. And if the  
7 Court would has a chance look at what I've written I'd  
8 appreciate it.

9 THE COURT: Mr. Lydon?

10 MR. LYDON: Yes, Your Honor.

11 THE COURT: Tell me about it.

12 MR. LYDON: I think it's clear, even based on Mr.  
13 Ameika's argument that there is no issue of fact. This is  
14 purely a legal question. I will say one thing I want to get  
15 on the record that his response says on page two that at a  
16 prior motion hearing counsel for the plaintiff stipulated  
17 that the loans were closed as witness only closings. There  
18 was a lawyer present. We haven't tapped into the details of  
19 exactly what he did or didn't do, but for the purpose of the  
20 hearings in this matter and in order to assure that there is  
21 no issue of fact I'd be willing to stipulate for the purpose  
22 of summary judgment that these were witness only closings,  
23 and that some other entity handled the title insurance, the  
24 title policy, recorded the documents, and that sort of  
25 thing.

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1           Your Honor, this action has kind of an interesting  
2 procedural history from a timing standpoint. When it was  
3 filed in August of 2010 we had the Coffee (ph) decision but  
4 not Matrix Funding. Both Mr. Watkins' counsel and I filed  
5 motions for summary judgment in 2011. And after the motions  
6 were filed, before they were heard we got the decision in  
7 Matrix Financial.

8           And so we went in front of Judge Young on summary  
9 judgment. We had Matrix Financial that says, you know, that  
10 it's prospective only. And it was a little unclear what it  
11 meant when it said prospective only. It just said filings  
12 after August of 2011, but nobody knew whether that meant  
13 foreclosure filings or mortgage filings, or whatever until  
14 we got the BAC Services.

15           So based on the Matrix Financial Judge Young granted my  
16 motion for summary judgment dismissing the counter claims.  
17 Also, underlying that was there was no private right of  
18 action to the unauthorized practice of law. He denied the  
19 defendant's motion for summary judgment. And we went up on  
20 appeal. On appeal the court of appeals said there is no  
21 private right of action. So we're affirming you can't  
22 appeal the denial of a motion for summary judgment, so we're  
23 not going to rule on this whole issue of unauthorized -- the  
24 unclean hands is what I'll call it, unclean hands.

25           And at that point Coffee was still on cert to the

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1 supreme court. Subsequent to the court of appeals decision  
2 in this case the supreme court issued their opinion in  
3 Coffee on July 10th of 2013 in which they held that you  
4 couldn't foreclose an invalid mortgage. They really didn't  
5 address the issue of the unclean hands type situation that  
6 was raised. But in any event, what we do have is BAC --

7 THE COURT: Versus Kinder.

8 MR. LYDON: Yes. In which it basically says, you  
9 know, witness only closing, no lawyer closing, you know,  
10 whatever the case may be, that only applies from Matrix  
11 Financial forward, August whatever the date is. They gave a  
12 specific day. And then they come back and say that is the  
13 mortgage filing date we're talking about. These mortgages  
14 -- I say these, there were three foreclosure actions that  
15 kind of go in different directions. But this case the  
16 mortgage was recorded in 2007. And so while I understand  
17 Mr. Watkins' argument, and I think that there were a lot of  
18 lawyers who were of that view when we had Coffee out there.  
19 Supreme court has since said, well, okay, but it's  
20 prospective only.

21 I would point out, and maybe I've been wrong about this  
22 all along, because nobody's fought this argument with me.  
23 But Mr. Ameika distinguishes the Matrix Financial case and  
24 the Coffee case and the BAC case versus Kinder, and he's  
25 right in that in all those cases the party who did not have

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1 a lawyer at a closing was seeking some sort of extraordinary  
2 relief. They wanted to re-write the mortgage or for  
3 equitable subrogation or equitable subordination, or  
4 whatever it was in Matrix Financial -- no, excuse me,  
5 Coffee.

6       Anyway, the point being this is just a garden variety  
7 mortgage foreclosure. Mr. Watkins doesn't claim that he  
8 didn't get the money. He doesn't claim he didn't own the  
9 property. He doesn't claim that he was misled about what  
10 the interest rate was going to be. He doesn't claim that --  
11 he calls himself a victim, but there's no indication as to  
12 how he was victimized by the fact there was not a lawyer  
13 present other than the Court should not sanction the  
14 unauthorized practice of law by allowing these documents to  
15 be foreclosed.

16       So we're not seeking any sort of extraordinary  
17 equitable relief. We're just trying to foreclose a mortgage  
18 that was given in 2007 on which no payments have been made  
19 since 2009. And the deficiency's been waived. And we  
20 believe that we should be entitled to foreclose. What we're  
21 asking for, Your Honor, is an order here that it's a valid  
22 loan, that the loan's in default, and we're entitled to  
23 foreclose. There would be a subsequent hearing to determine  
24 the amount of the debt and set the foreclosure sale.

25       THE COURT: If you have them give me some dates

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1 here. Kinder I think answered the question that Coffee, I  
2 believe it was Coffee left open, and when does it apply.  
3 And of course, it applies prospectively because it  
4 constitutes a non-titled affect. Under buyer's service you  
5 can go back to 1987, and that's where everybody was going  
6 with Coffee, right?

7 MR. LYDON: Yes.

8 THE COURT: So Kinder said it's apparent from what  
9 date? The date of the filing of the mortgage, correct?

10 MR. LYDON: Yes, yes.

11 THE COURT: And Coffee came out in '10? Was that  
12 in '10 it came out?

13 MR. LYDON: Yeah. BAC Kinder clarified Matrix  
14 Financial. And Coffee, the court of appeals decision was a  
15 2010 decision. And then the cert was granted and the  
16 supreme court came out with it's opinion July 10th, 2013.

17 THE COURT: Okay. That's my question. Do you  
18 have the original parties? Are these the same parties to  
19 the transaction? Is this the first mortgage lien? There's  
20 a first and a second.

21 MR. LYDON: First and a second. It was Royal  
22 Savings Bank. I looked back because he had asked me which  
23 was the predecessor entity to Wachovia and then Wells Fargo.  
24 So it's successor by acquisition, merger, that sort of  
25 thing.

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1 THE COURT: It's not an assignee like it was in  
2 Kinder, right?

3 MR. LYDON: That's correct.

4 THE COURT: Successor by merger, Wachovia took  
5 over Royal Savings Bank, and Wells Fargo took over?

6 MR. LYDON: Right. I guess in summary, Your  
7 Honor, I think to hold that Wells Fargo cannot foreclose  
8 these mortgages would be, this mortgage would be direct  
9 contradiction to Matrix Financial and BAC versus Kinder.  
10 And I understand their argument, and I think there are a lot  
11 of people who thought that was the correct statement of the  
12 law or potentially a correct statement of the law based on  
13 buyer's services and other stuff since then. But we now  
14 have the supreme court's proclamation on what the law is.  
15 And whether we like it or not I think it's binding in this  
16 case.

17 THE COURT: And back to you Mr. Ameika. Your  
18 client doesn't dispute being present at the bank and doing  
19 the loan; is that the story?

20 MR. AMEIKA: That's correct. He admits he was  
21 there.

22 THE COURT: And was there an attorney present?  
23 Y'all said it was a witness only closing, but there may be  
24 some facts to be clear. I don't know how relevant that is  
25 to our inquiry based on what I'm hearing.

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1           MR. AMEIKA: It was not a loan closing in the true  
2 sense of a loan closing as we typically know it in South  
3 Carolina.

4           THE COURT: Right, right.

5           MR. AMEIKA: There may have been somebody there  
6 who had a legal license and witnessed something, but he  
7 didn't certainly do the closing in the true sense of the  
8 word.

9           THE COURT: Yeah. Because all the title work was  
10 done by a third party. That's really where this comes in.

11          MR. LYDON: Exactly.

12          THE COURT: What about the timing issue? That's  
13 what gives me concern. If your client is the original  
14 holder and their client is the, maybe not the original  
15 holder but the acquirer of the documents, and these ones  
16 aren't being traded out there in the market. The only thing  
17 that gives me some concern is that. So I'm wrestling with  
18 what's the proper remedy here.

19          MR. AMEIKA: I have a suggestion.

20          THE COURT: Okay. Go ahead.

21          MR. AMEIKA: My suggestion is that I think we  
22 distinguished this between all of these cases based upon the  
23 facts. This is not the typical situation like in Matrix or  
24 -- it's more akin to Causey if you think about it, just  
25 regular old people getting -- and Coffee was the sailboat

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1 case.

2 THE COURT: Coffee was the one where the wife's  
3 interest was mortgaged. I just had that case. I don't know  
4 how much y'all sat through here, but I just had that case in  
5 here about 15, 20 minutes ago. One brother mortgaged the  
6 interest, allegedly at the interest of five other siblings.  
7 And today he got caught, or somewhere he got caught, because  
8 I caught onto that. So his interest is going to be  
9 foreclosed. His siblings' interest has not been mortgaged.  
10 It will not be foreclosed. And that's the strength of  
11 Coffee. Mrs. Coffee said, hey, I didn't know anything about  
12 this. The bank loan gave a mortgage on my house because my  
13 husband said he owned it and conveyed it, but he really did  
14 not. He didn't have the right to convey it.

15 Here you've got the same, your obligor is, in fact your  
16 owner. I don't think that seems to be in dispute. So  
17 that's why I'm wrestling with what remedy is the proper  
18 remedy. I'm going to tell y'all this because this is what  
19 I'm looking for. At some point in time these mortgages are  
20 going to become invalid. The note may still be valid, but  
21 the mortgages are going to become invalid. In other words,  
22 the equity here is going to be, an equitable result is going  
23 to be whether or not foreclosure's going to be allowed to  
24 proceed or the bank is just going to be entitled to a  
25 monetary judgment and they don't have to go out and perfect

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1 it.

2 But under the facts I've got in front of me today I  
3 don't think this is that case. I'm looking for a remedy  
4 here. I think the appellate courts are looking for a remedy  
5 here. I'm just telling you that I think that's probably  
6 where it's going to be.

7 MR. AMEIKA: It's got to be sooner or later.

8 THE COURT: So how do they get sanctioned if this  
9 continues? I don't know that it's going on today like it  
10 was in 2007, '08, and '09 up until '10. I had this  
11 communication with our local bank presidents. They made a  
12 business decision they weren't going to use lawyers for real  
13 estate lines of credit up to \$150,000. I said, well, you're  
14 going to rue that decision one day. That decision was  
15 Wachovia v. Coffee.

16 And in fact, now that's exactly what happened. I  
17 called him the day it came out. He was no longer working  
18 for the bank. He had long retired, resides on John's  
19 Island, one of your neighbors out there on John's Island,  
20 Mr. Ameika. And I told him, I said I knew that was coming.  
21 He says, why do you think I retired.

22 I really think somewhere along the line that's where  
23 that's going to go, because what's going to happen then is  
24 that these homeowners are going to be entitled to usurp  
25 their equitable interest in property for the first \$100,000.

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1 If they've not mortgaged that interest and they only owe a  
2 judgment then you're going to go from a secured to an  
3 unsecured creditor is what's going to happen. I think  
4 that's ultimately where your remedy's going to be.

5 MR. AMEIKA: Well, maybe this is the opportunity  
6 to do it today. You can deny the motion for summary  
7 judgment and allow it to go up one more time.

8 THE COURT: You find the right facts for me and  
9 I'll see what I can do about it. I'm just thinking out loud  
10 with you, because I think ultimately the Court's looking for  
11 the right remedy. I just don't think this case is going to  
12 get us there. I'm going to let you take that up on appeal  
13 though.

14 MR. LYDON: I handled Franklin versus Chavis,  
15 which they cited which is where a non-lawyer prepared a  
16 will. And the family sought to throw the will out. And the  
17 supreme courts upheld the will but said that the PR couldn't  
18 be paid a PR fee because he was the non-lawyer. And that's  
19 what I'm wondering is either the mortgage is enforceable or  
20 the debt can be repaid without interest so that the bank  
21 doesn't make any money on the transaction. There's several  
22 different remedies around there.

23 THE COURT: There are different remedies to get to  
24 that point. That's what I think. And I was looking for  
25 that in this case. It looked like Rogers' order was pretty

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1 good up to a point anyway. He took some under advisement.  
2 I think what he took under advisement is what y'all  
3 presented me with today.

4 MR. LYDON: Right.

5 THE COURT: We now have the benefit of Matrix, the  
6 two, and Kinder, I think. All right. So based on that I'm  
7 going to grant you the motion.

8 MR. LYDON: I'll do an order.

9 MR. AMEIKA: Make sure you put in there you  
10 weren't seeking a deficiency.

11 MR. LYDON: That's in the complaint.

12 THE COURT: Y'all have waived deficiency?

13 MR. LYDON: Yes.

14 THE COURT: That'll help you out a lot.

15 MR. AMEIKA: I know that, because Brian and I  
16 discussed that a couple times.

17 THE COURT: You don't want to get up on appeal and  
18 have the Court say, well, what's the prejudice here.

19 MR. AMEIKA: Right. Exactly.

20 (Hearing concluded at 4:15 o'clock p.m.)  
21  
22  
23  
24  
25

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1 STATE OF SOUTH CAROLINA)

2 : C-E-R-T-I-F-I-C-A-T-E

3 COUNTY OF DORCHESTER)

4 I, Stacey L. Scoggan, Court Reporter and Notary Public,  
5 certify that I did have The Honorable Judge Mikell  
6 Scarborough to appear before me at 3:45 o'clock p.m. on  
7 Monday, April 21, 2014, at the Charleston County Courthouse,  
8 100 Broad Street, Suite 266, Charleston, South Carolina;  
9 that the witness was sworn and cautioned to tell the truth,  
10 the pages constitute a true and accurate transcript of the  
11 testimony given at that time and place.

12 I further certify that I am not of counsel or kin to  
13 any of the parties to this cause of action, nor am I  
14 interested in any manner in its outcome.

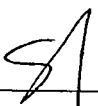
15 IN WITNESS WHEREOF, I have hereunto set my hand and  
16 seal this the 11th day of July, 2014.

17

18

19

20

  
\_\_\_\_\_  
Stacey L. Scoggan

21

Notary Public for South Carolina

22

My Commission Expires: February 23, 2021

23

24

25

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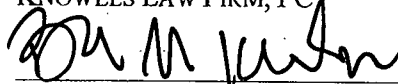
Certificate of Counsel

Counsel for the Appellant hereby certifies that Record on Appeal contains all material proposed to be included by any of the parties submitting a Designation of Record to be included in the Record on Appeal and not any other material.

Respectfully Submitted

December 10, 2014

KNOWLES LAW FIRM, PC



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Attorney for Appellant

THE STATE OF SOUTH CAROLINA  
In the Court of Appeals

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APPEAL FROM CHARLESTON COUNTY  
Court of Common Pleas

The Honorable Mikell R. Scarborough  
Charleston County  
Trial Court Case No.: 2010-CP-10-06945

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Appellate Case No.: 2014-001398

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Wells Fargo Bank, N.A., Respondent,

v.

Ronald R. Watkins and Ashland Plantation Property  
Owners Association, Defendants

Of whom Ronald R. Watkins is Appellant.

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PROOF OF SERVICE

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I certify that I have served the Appellant's Record on Appeal and Proof of Service for the same on the following party by depositing in the United States Mail, postage prepaid, on December 11, 2014, addressed to the following party of record:

Thomas E. Lydon, Esquire  
P.O. Box 12519  
Columbia, SC 29211

Attorney for Respondent Wells Fargo Bank, N.A.

**RECEIVED**

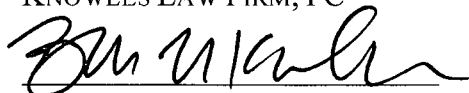
DEC 12 2014

**SC Court of Appeals**

December 11, 2014

Respectfully Submitted

KNOWLES LAW FIRM, PC

A handwritten signature in black ink, appearing to read "Brian M. Knowles", written over a horizontal line.

BRIAN M. KNOWLES

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