

THE STATE OF SOUTH CAROLINA:
In The Court of Appeals

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OCT 26 2015

APPEAL FROM RICHLAND COUNTY
Master-in-Equity

SC Court of Appeals

Hon. Joseph M. Strickland, Master-in-Equity

Case No. 2015-001807

Winrose Homeowners' Association, Inc and Regime Solutions, LLC..... Respondents,

v.

Devery A. Hale and Tina T. Hale..... Appellants.

RECORD ON APPEAL

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*Attorney for Winrose Homeowners'
Association, Inc*

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**RECORD ON APPEAL
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Eric C. Hale, Esq.

Elias Fain, Esq.

July 30, 2015

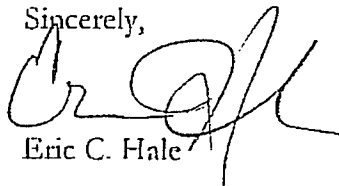
Brian Boger, Esq.
1331 Elmwood Drive. #210
Columbia, SC 29201

Re: *Winrose Homeowners' Association, Inc. v. Devery A. Hale and
Tina T. Hale*
C/A No.: 2014CP400847

Dear Brian:

Please find enclosed an Order filed by the court in the above captioned matter. We will be seeking to reschedule the Rule to Show Cause hearing and will notify you when we do. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



Eric C. Hale

Enclosure

cc: Richland County Clerk of Court

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Winrose Homeowners' Association, Inc.

Plaintiff

vs.

Devery A. Hale and Tina T. Hale

Defendants.

IN THE COURT OF COMMON PLEAS
FOR THE FIFTH JUDICIAL CIRCUIT

**ORDER ON DEFENDANT'S
MOTION TO VACATE SALE**

C/A No. 2014-CP-40-084

2015 APR 21 AM 7:12
RICHLAND COUNTY
FILED
COURT CLERK
J. M. HARRIS

THIS MATTER came before me on February 6, 2015 on Defendants, Devery and Tina Hale's, Motion to Vacate Sale for Inadequacy of Bid. Present at the hearing were Eric C. Hale, attorney for the successful bidder at the foreclosure sale herein, Regime Solutions, LLC, and Brian Boger, attorney for Defendants. Also present at the hearing was Stephanie Trotter, attorney for Plaintiff.

This is an action arising from the foreclosure of a homeowner's association lien. The property located at 25 Caddis Creek Court Irmo, South Carolina 29063 was foreclosed on due to a homeowner's association lien and sold at judicial sale on August 4, 2014 subject to any and all valid senior encumbrances on the property, including but not limited to a recorded mortgage on the subject property in the Richland County ROD at Book R 64, Page 617 and in the amount of \$99,037.00. The winning bidder, Regime Solutions, paid the bid price of \$3,036.00 into the court. This Court issued a Master's Deed to Regime Solutions which was filed on August 22, 2014 in the Richland County ROD in Book 1968, Page 266. Thereafter Regime Solutions sought to be put in possession of the property and filed a Rule to Show Cause on September 16, 2014. Defendants' Motion to Vacate Sale followed and was considered in advance of ruling on Regime Solutions' Rule to Show Cause as the outcome of Defendants' motion was controlling over Regime Solutions' motion. Defendants' Motion to Vacate Sale asks this court to rule that the sale price "shocks the conscience" and to accordingly set aside the sale due to the inadequacy of the bid. It is undisputed that Regime Solutions purchased the property subject to the

aforementioned senior mortgage. Additionally, Defendants offered competent evidence that the principal balance presently owing on said mortgage is \$66,004.00. It is also undisputed that the present fair market value of the subject property is estimated to be approximately \$128,000.

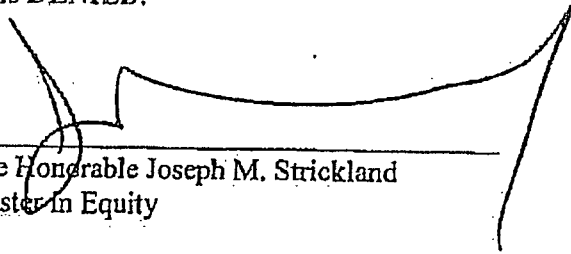
After consideration of the motions, filings, and arguments of the respective parties, this Court concludes as follows:

Defendants argue that the bid price of \$3,036 shocks the conscience due to the South Carolina Court of Appeals' observation that "South Carolina jurisprudence reveals only when judicial sales are for less than ten percent of a property's actual value, have our courts consistently held the discrepancy to shock the conscience of the court. *E. Sav. Bank, FSB v. Sanders*, 373 S.C. 349, 359, 644 S.E.2d 802, 807 (Ct. App. 2007). The defendants calculate the bid price as constituting only 2.37% of the value of the subject property. However, this Court declines to adopt the calculation advanced by Defendants and instead adopts the calculation of the bid amount in the fashion set forth in the South Carolina Supreme Court case *Arrow Bonding Company v. Warren* 399 S.C. 603, 732 S.E.2d 622, 623 (2002).

Accordingly, the appropriate measure of the effective sales price is the bid amount, \$3,036, plus the encumbrances against the property, \$66,004 according to the evidence offered by Defendants, for a total effective sale price of \$69,040. This effective sales price is then divided by the value of the property, \$128,000, to calculate a percentage of the property value, 54% of estimated fair market value. This is far and above what South Carolina courts have routinely considered shocking to the conscience and therefore I conclude that the bid of Regime Solutions is not grossly inadequate or shocking to the conscience and the sale should not be set aside. In so concluding the Court has also considered that the practice of homeowners' association foreclosures would effectively be eradicated if the defendants' position came to bear. Virtually no foreclosures of this type would pass scrutiny if encumbrances and liens are not considered when calculating the appropriateness of a bid amount.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED

that Defendants' Motion to Vacate Sale is **DENIED**.



The Honorable Joseph M. Strickland
Master in Equity

Dated: April 13, 2015
Columbia, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Winrose Homeowners' Association, Inc.

Plaintiff

vs.

Devery A. Hale and Tina T. Hale

Defendants.

IN THE COURT OF COMMON PLEAS
FOR THE FIFTH JUDICIAL CIRCUIT

**ORDER ON DEFENDANT'S
MOTION TO VACATE SALE**

C/A No. 2014-CP-40-0847

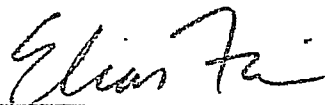
The undersigned hereby certifies that on July 30, 2015, he served a copy to all counsel in this action with a copy of the document(s) listed below and this Certificate of Mailing in the above-referenced matter by depositing a copy in the United States Mail, postage prepaid, and addressed as follows:

DOCUMENT(S):

Order on Defendant's Motion to Vacate
Sale

PARTIES SERVED:

Brian Boger, Esq.
1331 Elmwood Drive. #210
Columbia, SC 29201



Elias Fain

Dated: July 30, 2015
Columbia, South Carolina

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND

DOCKET NO.

Winrose Homeowners' Association, Inc.,

Plaintiff,

COMPLAINT
(NON-JURY)
FORECLOSURE OF REAL ESTATE
NON-ELIGIBLE FOR HOME
MODIFICATION PROGRAM

v.

Devery A. Hale and Tina T. Hale,

Defendant(s).

FILED
FEB 11 AM 9:05
JUSTICE W. MCBRIDE
C.P. & G.S.

The Plaintiff herein, complaining of the acts or omissions of the Defendant(s), would show unto this Honorable Court as follows:

1. Upon information and belief, the Defendant(s) is/are a resident of the County of Richland, State of South Carolina and the subject of this action is real property located in the County of Richland, South Carolina.
2. Plaintiff is a corporation or other legal entity doing business in the State of South Carolina and has the right to bring this action.
3. Heretofore, on or about 04/24/1998 the Defendant(s) took possession of the property described in Exhibit A attached to this Complaint and incorporated herein by reference.
4. The herein described property is subject to governing documents for Winrose Homeowners' Association, Inc. attached hereto as Exhibit B and incorporated herein by reference.
5. By taking possession of the property, Defendant(s) agreed to pay assessments and other charges allowed by the governing documents.
6. Pursuant to the governing documents a lien arises in favor of Plaintiff to secure payment of the unpaid charges.
7. Heretofore, on or about 04/06/2011, Plaintiff filed a Notice of Lien in connection with unpaid assessments on the herein referenced property owned by the Defendant(s).
8. Pursuant to the governing documents Plaintiff is entitled to foreclose on the aforementioned lien.
9. The Defendant(s) has failed to make consistent payments of the assessments and interest, although demand for payment has been made, and the Plaintiff after giving all required notices, has and does hereby elect to declare the entire balance payable at once. There is now due, owing and unpaid the

sum of \$566.41 in principal, late fees, interest and other charges. Plaintiff is further entitled to recover reasonable attorney's fees and the cost of litigating this proceeding.

10. If Plaintiff secures the premises being foreclosed herein, Plaintiff's cost of securing said premises should be added to any judgment rendered on its behalf. If Plaintiff pays any utility charges constituting a lien on said premises, Plaintiff's advances should be added to any judgment rendered on its behalf.

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

1. Under the direction of this Court, ascertain and determine the amount due to Plaintiff as outlined by the governing documents, together with interest of 8.00% Per annum and reasonable attorney's fees and costs as outlined in the governing documents.
2. That said Plaintiff have judgment of foreclosure for the amount so found to be due and owing thereon, together with any taxes or insurance premiums which may be due, with a reasonable sum as attorney's fees, and for the costs of this proceeding.
3. That the premises be sold under the direction of this Court, the equity of redemption be barred, and that the proceeds of sale be applied as follows:
 - a. First, to the costs and expenses of the within proceeding and said sale;
 - b. Second, to the payment and discharge of the amount due under the governing documents, together with attorney's fees as aforesaid; and
 - c. Third, the surplus, if any, be distributed pursuant to Rule 71, of the South Carolina Rules of Civil Procedure.
4. Plaintiff have judgment against the Defendant(s) for the full amount found to be due Plaintiff.
5. For such other and further relief as may be just and proper.

MCCABE, TROTTER & BEVERLY, P.C.



Stephanie C. Trotter
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Post Office Box 212069 (29221)
Columbia, SC 29210
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Email: Stephanie.Trotter@mccabetrotter.com
ATTORNEY FOR THE PLAINTIFF

Columbia, South Carolina
February 7, 2014

STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND) C/A # 2014-CP-40-00847

Winrose Homeowners' Association,
Inc.,

Plaintiff,

vs.

Devery A. Hale and Tina T. Hale,

Defendants.

MOTION TO VACATE SALE

RICHLAND COUNTY
FILED
2014 NOV -4 PM 1:31
JEANNETTE W. HIGBRIN
C.C.P. & G.S.

TO: ERIC C. HALE, ESQ., ATTORNEY FOR PLAINTIFF

YOU WILL PLEASE TAKE NOTICE, that Devery A. Hale and Tina T. Hale, "Defendants," will move before the Honorable Joseph M. Strickland, Master in Equity for Richland County, ten (10) days after service hereof, or as soon thereafter as may be heard, for an Order of Relief from Judicial Sale based on South Carolina Rules of Civil Procedure Rule 60(b)(5).

FACTS

Defendants Devery and Tina Hale have owned the property, located at 25 Caddis Creek Court, Irmo, South Carolina, since they executed the note and mortgage in 1998 for \$104,250. They got behind on their dues to the Winrose Homeowners' Association, and the Homeowners' Association filed an action for foreclosure on February 24, 2014. The property is currently worth \$128,000. (Exhibit 1). It was sold at public sale for \$3,036.00 on August 4, 2014.

STANDARD

"On motion and upon such terms as are just, the court may relieve a party or his legal representative from a final judgment, order, or proceeding [in the case of] mistake, inadvertence surprise, or excusable neglect . . . fraud, misrepresentation, or other misconduct of an adverse party;

[or if] it is no longer equitable that the judgement should have prospective application.” Rule 60(b)(5) SCRCP. “The determination of whether a judicial sale should be set aside is a matter left to the sound discretion of the trial court.” *Investors Sav. Bank v. Phelps*, 303 S.C. 15, 17, 397 S.E.2d 780, 781 (Ct. App. 1990). “An abuse of discretion occurs when the conclusions of the circuit court are either controlled by an error of law or are based on unsupported factual conclusions.” *Carson v. CSX Trans., Inc.*, 400 S.C. 221, 229, 734 S.E.2d 148, 152 (Ct. App. 2012).

ARGUMENT

Defendants Devery Hale and Tina Hale owned property located at 25 Caddis Creek Court. The public sale price for the property in the instant case was \$3,036. The note and mortgage executed in 1998 for the property was for \$104,250, and the property is worth \$128,000 as of October 31, 2014. (Exhibit 1). The sale price for this property is 2.37% of its current value, and 2.91% of the value of the note and mortgage.

A judicial sale will be set aside “when either: (1) the sale price ‘is so gross as to shock the conscience’ or (2) the sale ‘is accompanied by other circumstances warranting the interference of the court.’” *Wells Fargo Bank, NA. v. Turner*, 378 S.C. 147, 151, 662 S.E.2d 424, 425 (Ct. App. 2008)(citing *Poole v. Jefferson Standard Life Ins. Co.*, 174 S.C. 150, 177 S.E. 24 (1934)). Courts in South Carolina have been setting aside judicial sales based on “grossly inadequate” sales prices. *Id.* 378 at 151, 662 S.E.2d at 425. South Carolina courts “have consistently held that when foreclosure sales prices amount to less than ten percent of the actual value of the property, the discrepancy shocks the conscience of the court.” *Bloody Point Property Owners Ass'n, Inc. v. Ashton*, 410 S.C. 62, 762 S.E.2d 729, 734 (Ct. App. 2014).

In *Wells Fargo Bank, NA. v. Turner*, the South Carolina Court of Appeals decided that

evidence of a foreclosed note and mortgage for \$82,025 and a sale of \$3,000, shocked the conscience of the court. 378 S.C. 147, 662 S.E.2d 424. The bid was 3.65% of the original principal amount of the foreclosed note and mortgage. The bid for Defendants' home was \$3,036, a mere 2.91% of the value of the note and mortgage. In the *Turner* case, the court ruled that evidence of the foreclosed note and mortgage was sufficient evidence for the court to decide that the amount of the sale shocked the conscience of the court. The bid in the instant case is 2.91%, which is less than the 3.65% deemed to be grossly inadequate in the *Turner* case, and much less than 10%, a value that courts often consider to be grossly inadequate. *See id.*; *see also Bloody Point Property Owners Ass'n, Inc. v. Ashton*, 410 S.C. 62, 762 S.E.2d 729 (Ct. App. 2014). Therefore, the bid in the instant case is grossly inadequate and the judicial sale should be set aside because it shocks the conscience.

Section 15-39-870 of the South Carolina Code states that,

[u]pon the execution and delivery by the proper officer of the court of a deed for any property sold at a judicial sale under a decree of a court of competent jurisdiction the proceedings under which such sale is made shall be deemed res judicata as to any and all bona fide purchasers for value without notice, notwithstanding such sale may not subsequently be confirmed by the court.

S.C. Code Ann. § 15-39-870 (2005). Although evidence of a bona fide purchaser for value should be considered when discussing whether to vacate a sale, it is not an issue in the instant motion. When deciding whether a sale should be vacated for the reason that the sale price is unjust, the court should look to whether the sales price amounts to less than ten percent of the actual value of the property. *See Bloody Point Property Owners Ass'n, Inc. v. Ashton*, 410 S.C. 62, 762 S.E.2d 729 (Ct. App. 2014). Even if Plaintiff is deemed to be a bona fide purchaser, the execution of a sale for 2.91% of its note and mortgage, and 2.37% of its current value shocks the conscience of the court and should be vacated.

CONCLUSION

The public sale price is grossly inadequate and is so gross that it shocks the conscience. Therefore, there is sufficient evidence to set aside judicial sale due to the inadequacy of the bid.

LAW OFFICES OF BRIAN L. BOGER



Brian L. Boger
Phillip A. Curiale
Attorneys for Defendants
1331 Elmwood Ave, Suite 210
Columbia, SC 29201
Phone: 803-252-2880
Fax: 803-254-5025

November 4, 2014
Columbia, SC

EXHIBIT 1

Contract Price \$ 0 Date of Contract Is the property seller the owner of public record? Yes No Data Source(s) Richland Cty Tax Re
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

| Neighborhood Characteristics | | | | One-Unit Housing Trends | | | | One-Unit Housing | | Percent Land Use % | |
|---|--|--|------------------------------------|-------------------------|---------------------------------------|--|--------------------------------------|------------------|-------|--------------------|------|
| Location | <input type="checkbox"/> Urban | <input checked="" type="checkbox"/> Suburban | <input type="checkbox"/> Rural | Property Values | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining | PRICE | AGE | One-Unit | 55 % |
| Build-Up | <input checked="" type="checkbox"/> Over 75% | <input type="checkbox"/> 25-75% | <input type="checkbox"/> Under 25% | Demand/Supply | <input type="checkbox"/> Shortage | <input checked="" type="checkbox"/> In Balance | <input type="checkbox"/> Over Supply | 5 (000) | (yrs) | 2-1 Unit | 10 % |
| Growth | <input type="checkbox"/> Rapid | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Slow | Marketing Time | <input type="checkbox"/> Under 3 mths | <input checked="" type="checkbox"/> 3-6 mths | <input type="checkbox"/> Over 6 mths | 105 Low | 0 | Multi-Family | 5 % |
| Neighborhood Boundaries | | | | | | | | 130 High | 50 | Commercial | 10 % |
| RD. SOUTH BY BROAD RIVER RD. WEST BY I-26 | | | | | | | | 115 Pred. | 25 | Other | 20 % |

Neighborhood Description The subject neighborhood is located within reasonable proximity to shopping, houses of worship, schools, employment centers, and recreational facilities. Location is 15 miles north of the Central Business District of the City of Columbia, SC.

Market Conditions (Including support for the above conclusions) I HAVE CONSIDERED RELEVANT COMPETITIVE LISTINGS AND OR CONTRACT OFFERINGS IN THE PERFORMANCE OF THIS APPRAISAL AND THE TRENDING INFORMATION REPORTED IN THIS SECTION. * "OTHER" PERCENT LAND USE IS VACANT LAND.

Dimensions 37.1X150.3X142.9X142.9 Area 12358 sf Shape GEN RECTANG, View N:Res;Res

Specific Zoning Classification RS-1 Residential Zoning Description Single Family Residential

Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)

Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

SINGLE FAMILY RESIDENTIAL.

| Utilities | Public | Other (describe) | Public | Other (describe) | Off-site Improvements—Type | Public | Private |
|-------------|-------------------------------------|------------------|----------------|-------------------------------------|----------------------------|-------------------------------------|--------------------------|
| Electricity | <input checked="" type="checkbox"/> | | Water | <input checked="" type="checkbox"/> | Street Asphalt/pub | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Gas | <input checked="" type="checkbox"/> | | Sanitary Sewer | <input checked="" type="checkbox"/> | Atrey | NONE | <input type="checkbox"/> |

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 4501700040 H FEMA Map Date 07/17/1995

Are the utilities and off-site improvements typical for the market area? Yes No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe

SITE IS TYPICAL IN SIZE; TOPOGRAPHY IS AVERAGE FOR THE SUBDIVISION; NO ADVERSE EASEMENTS OR ENCROACHMENTS NOTED THAT ADVERSELY AFFECT VALUE OR MARKETABILITY.

Source(s) Used for Physical Characteristics of Property Appraisal Files MLS Assessment and Tax Records Prior Inspection Property Owner

Other (describe) Inspection from street (10/3/114) Data Source(s) for Gross Living Area 156

| General Description | | General Description | | Heating/Cooling | | Amenities | | Car Storage | |
|-------------------------------------|---|---|--|--|-------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Units | <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit | <input type="checkbox"/> Concrete Slab | <input checked="" type="checkbox"/> Craw Space | <input checked="" type="checkbox"/> FWA | <input type="checkbox"/> HWBA | <input checked="" type="checkbox"/> Fireplace(s) # 1 | <input type="checkbox"/> None | <input type="checkbox"/> | <input type="checkbox"/> |
| # of Stories | 1.5 | <input type="checkbox"/> Full Basement | <input type="checkbox"/> Finished | <input type="checkbox"/> Radiant | <input type="checkbox"/> | <input type="checkbox"/> Woodstove(s) # 0 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Type | <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit | <input type="checkbox"/> Partial Basement | <input type="checkbox"/> Finished | <input type="checkbox"/> Other | <input type="checkbox"/> | <input checked="" type="checkbox"/> Patio/Deck deck | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const. | Exterior Walls | Vinyl/Avg | Fuel | ELEC | <input checked="" type="checkbox"/> Porch front | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Design (Style) | Traditional | Roof Surface | Composition/avg | <input checked="" type="checkbox"/> Central Air Conditioning | <input type="checkbox"/> | <input checked="" type="checkbox"/> Pool unknown | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Year Built | 1998 | Gutters & Downspouts | none | <input type="checkbox"/> Individual | <input type="checkbox"/> | <input checked="" type="checkbox"/> Fence wood | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Effective Age (Yrs) | 6 | Window Type | Vinyl/S.H.Avg. | <input type="checkbox"/> Other | <input type="checkbox"/> | <input type="checkbox"/> Other none | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Appliances | <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input checked="" type="checkbox"/> Other (describe) vent (nn | | | | | | | | |
| Finished area above grade contains: | 6 Rooms 3 Bedrooms 2.0 Bath(s) 1,561 | | | | | | | | |

Additional features (special energy efficient items, etc.) Subject meets 1993 Building Efficiency Standards Act guidelines.

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.)

C3; BASED ONLY ON AN EXTERIOR INSPECTION THE PHYSICAL CONDITION IS AVERAGE, WITH WHAT IS CONSIDERED NORMAL PHYSICAL AS WELL AS FUNCTIONAL INADEQUACIES FOR A PROPERTY THE AGE AND DESIGN OF THE SUBJECT CONSIDERING QUALITY OF MATERIALS AND WORKMANSHIP IN RELATION TO OTHERS.

Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No

If Yes, describe Environmental factors that typically have a negative influence on value were not observed or known. The appraisal does not guarantee that the property is free of defects or environmental problems.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe

Design & appeal, as well as construction quality, are in keeping with all other properties in the subdivision.

| Location | IN:RES:RES | IN:RES:RES | IN:RES:RES | IN:RES:RES |
|------------------------------------|-------------------|--|--|--|
| Leasehold/Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple |
| Site | 12358 sf | 8250 sf | 08200 sf | 09715 sf |
| View | N:Res:Res | N:Res:Res | N:Res:Res | N:Res:Res |
| Design (Style) | DT1.5;Traditional | DT1:Traditional | 0DT1:Traditional | 0DT1:Traditional |
| Quality of Construction | Q3 | Q3 | Q3 | Q3 |
| Actual Age | 16 | 15 | 015 | 019 |
| Condition | C3 | C3 | C4 | +5.500 C4 |
| Above Grade | Total Bdrms Baths | Total Bdrms Baths | Total Bdrms Baths | Total Bdrms Baths |
| Room Count | 6 3 2.0 | 6 3 2.0 | 6 3 2.0 | 6 3 2.0 |
| Gross Living Area | 1,561 sq. ft. | 1,307 sq. ft. | +5,080 1,210 sq. ft. | +7,020 1,364 sq. ft. |
| Basement & Finished | 0sf | 0sf | 0sf | 0sf |
| Rooms Below Grade | 0rr0br0.0ba0o | 0rr0br0.0ba0o | 0rr0br0.0ba0o | 0rr0br0.0ba0o |
| Functional Utility | Average | Average | Average | Average |
| Heating/Cooling | Fwa/Central | Fwa/Central | Fwa/Central | Fwa/Central |
| Energy Efficient Items | Insl/Insl Wind | Insl/Insl Wind | Insl/Insl Wind | Insl/Insl Wind |
| Garage/Carport | 2ga2dw | 2dw | +5,500 2dw | +5,500 2ga2dw |
| Porch/Patio/Deck | Porch/Deck | Porch / Patio | +2,000 Porch/Deck | Porches +3,500 |
| KITCHEN | ro mw dw ds | ro mw dw ds | ro mw dw ds | ro mw dw ds |
| LANDSCAPING | Modest/Fence | Modest/Fence | Modest/Fence | Modest/Fence |
| FIREPLACE | 1 fireplace | None | +1,500 1 fireplace | 1 fireplace |
| Net Adjustment (Total) | | X - - s | 14,080 X + - s | 18,020 X + - s |
| Adjusted Sale Price of Comparables | | Net Adj. 12.30% Gross Adj. 12.30% s | 128,600 Net Adj. 16.38% Gross Adj. 16.38% s | 130,800 Net Adj. 10.98% Gross Adj. 10.98% s |

I did not research the sale or transfer history of the subject property and comparable sales. If not, explain Public records and Richland County Assessor's records indicate the last recording of a transfer was 05/06/1998, FOR \$104,250. No sales of the three comps during prior year.

My research did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) Richland County tax assessors records, CMLS.

My research did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) Richland County tax assessors records as well as CMLS records.

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

| ITEM | SUBJECT | COMPARABLE SALE # 1 | COMPARABLE SALE # 2 | COMPARABLE SALE # 3 |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Date of Prior Sale/Transfer | | | | |
| Price of Prior Sale/Transfer | | | | |
| Data Source(s) | CMLS/Rich Cty Tx Recd | CMLS/Rich Cty Tx Recd | CMLS/Rich Cty Tx Recd | CMLS/Rich Cty Tx Recd |
| Effective Date of Data Source(s) | 10/31/2014 | 10/31/2014 | 10/31/2014 | 10/31/2014 |

Analysis of prior sale or transfer history of the subject property and comparable sales The analysis of the sales/transfer information for the subject property was obtained from CMLS and Richland County Tax Records, as of 10/31/2014. The analysis of the sales information stated in the grid was limited to CMLS and Richland County Tax Records as of 10/31/2014.

Summary of Sales Comparison Approach All comparables used are closed sales, located within the same market area as the subject, with similar market conditions. The comps are all considered to be good indicators of value. Appropriate adjustments have been made for all known and/or observed differences and were extracted from the market based on paired sales data. All sales were given equal weight in estimating the market value.

Indicated Value by Sales Comparison Approach \$128,000

Indicated Value by: Sales Comparison Approach \$ 128,000 Cost Approach (if developed) \$ Income Approach (if developed) \$

MARKET APPROACH IS THE BEST INDICATOR OF VALUE, WHICH SHOWS THE TYPICAL BUYER AND SELLER REACTION IN THE MARKETPLACE. THE INCOME APPROACH WAS NOT USED DUE TO THE LACK OF AVAILABLE DATA ON SIMILAR RENTAL PROPERTY.

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: NO

CONDITIONS

Based on a visual inspection of the exterior areas of the subject property from at least the street, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$128,000, as of 10/31/2014, which is the date of inspection and the effective date of this appraisal.

PROVIDING RELEVANT COMPETITIVE LISTINGS, EXISTING DATA, UNUSUAL SELLER FINANCING CONCESSIONS/BUYDOWNS THAT IMPACT MARKET. THE LIST TO SALES RATIO IS 97%. TYPICAL DAYS ON MARKET IS 130. THE MARKETING TIME TREND IS STABLE. INTEREST RATES FROM 3.50% TO 7.25%. 30 YEARS FIXED RATE LOANS.

THE APPRAISER HAS NO CURRENT OR PROSPECTIVE INTEREST IN THE SUBJECT PROPERTY OR THE PARTIES INVOLVED. THE APPRAISER HAS NOT PROVIDED ANY SERVICES AS AN APPRAISER OR IN ANY OTHER CAPACITY ON THE SUBJECT PROPERTY WITHIN THE PRIOR THREE YEAR PERIOD IMMEDIATELY PRECEDING ACCEPTANCE OF THIS ASSIGNMENT. THE APPRAISER HAS "NOT" AGREED WITH THE CLIENT TO KEEP ANY PRIOR ASSIGNMENTS CONFIDENTIAL.

THE TYPICAL EXPOSURE TIME FOR SIMILAR HOMES IN THIS AREA IS (3-6 MONTHS). THE DEFINITION OF EXPOSURE TIME USED WAS TAKEN FROM THE DEFINITIONS SECTION OF THE 2012-2013 VERSION OF USPAP.

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
 Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) N/A

| | | | | |
|---|-----------------|-----------------------------|------------------------------------|---------------------------------------|
| ESTIMATED | REPRODUCTION OR | REPLACEMENT COST NEW | OPINION OF SITE VALUE | = \$ |
| Source of cost data | | | Dwelling | 1.56 Sq. Ft. @ \$ = \$ |
| Quality rating from cost service | AVG | Effective date of cost data | | Sq. Ft. @ \$ = \$ |
| Comments on Cost Approach (gross living area calculations, depreciation, etc.) | | | Garage/Carport | Sq. Ft. @ \$ = \$ |
| DUE TO AGE OF SUBJECT, THE REPLACEMENT COST WAS NOT CONSIDERED A FACTOR IN ESTIMATING MARKET VALUE. THEREFORE, NOT USED. PROPERTY CONFORMS TO APPLICABLE HUD/VA PROPERTY STANDARDS, WITH NO CONDITIONS. | | | Total Estimate of Cost-New = \$ | |
| | | | Less | Physical |
| | | | Depreciation | = \$ |
| | | | Depreciated Cost of Improvements | = \$ |
| | | | "As-is" Value of Site Improvements | = \$ |
| Estimated Remaining Economic Life (HUD and VA only) | | | 60 Years | Indicated Value By Cost Approach = \$ |

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach
 Summary of Income Approach (including support for market rent and GRM)

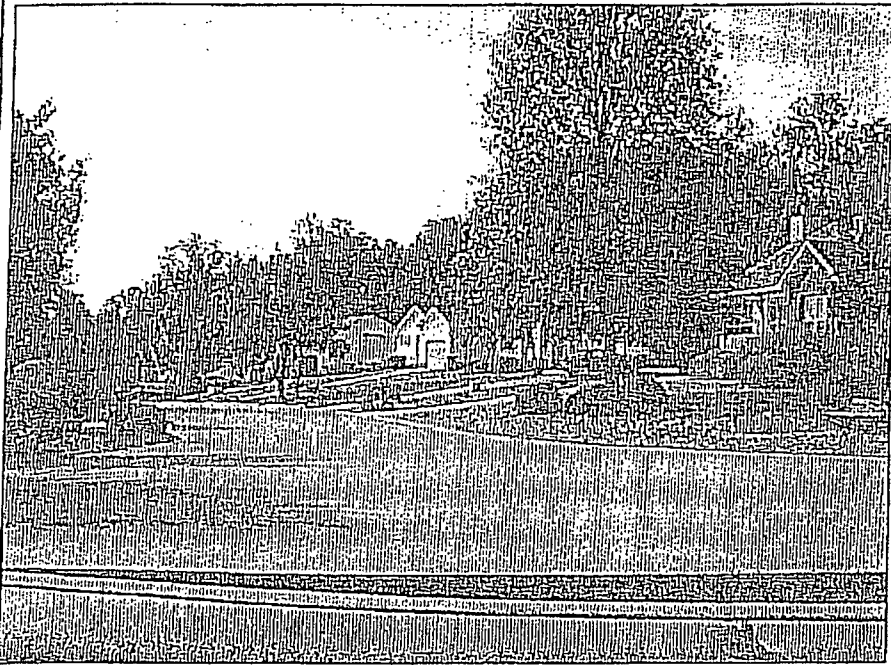
PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
 Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
 Legal name of project
 Total number of phases Total number of units Total number of units sold
 Total number of units rented Total number of units for sale Data Source(s)
 Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion
 Does the project contain any multi-dwelling units? Yes No Data Source(s)
 Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.
 Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.

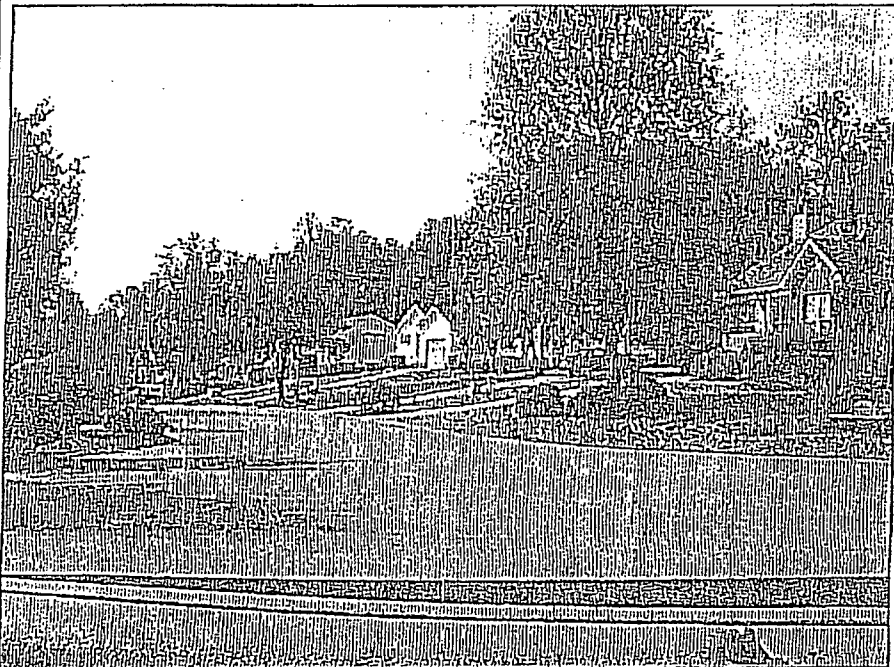
Describe common elements and recreational facilities **COMMON AREA MAINTENANCE**



FRONT VIEW OF
SUBJECT PROPERTY



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE OF
SUBJECT PROPERTY



Price \$114,500
Price/SF \$7.61
Date s03/14;c02/14
Age 15
Room Count 6-3-2.0
Living Area 1,307

Value Indication \$128,600

COMPARABLE #2

207 CADDIS CREEK ROAD
Irmo, SC 29063-8139

Price \$110,000
Price/SF 90.91
Date s01/14;c11/13
Age 15
Room Count 6-3-2.0
Living Area 1,210

Value Indication \$128,000



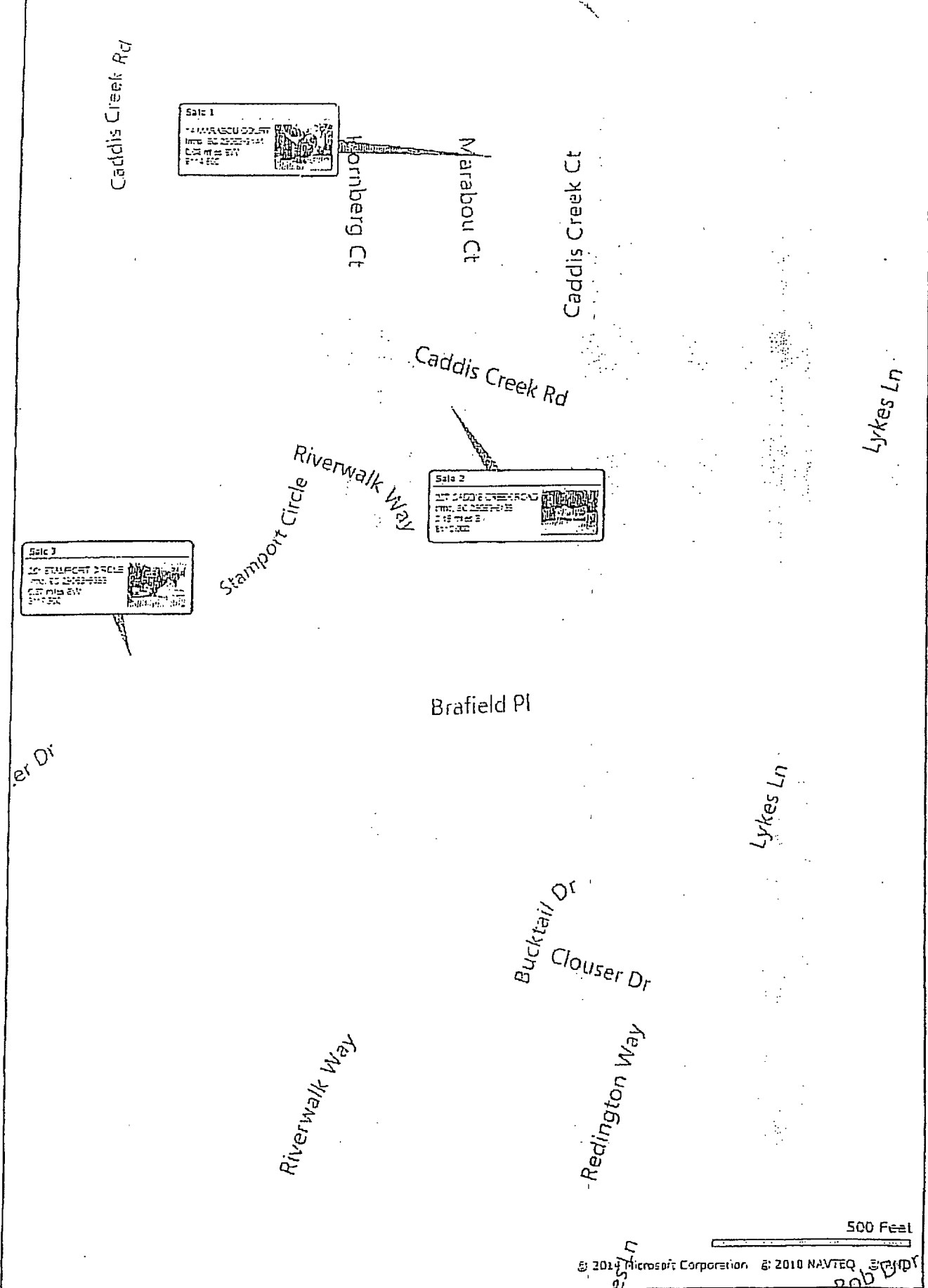
COMPARABLE #3

201 STAMPORT CIRCLE
Irmo, SC 29063-9393

Price \$117,900
Price/SF 86.44
Date s05/14;c05/14
Age 19
Room Count 6-3-2.0
Living Area 1,364

Value Indication \$130,800





new foundation and recycled materials and the recycled components have been re-manufactured or are new. Dwellings that have not been previously occupied are not considered "new" if they have significant physical depreciation (i.e., newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

C2 - The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3 - The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4 - The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5 - The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6 - The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

Quality Ratings and Definitions

Q1 - Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified use. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are exceptionally high quality.

Q2 - Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q3 - Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4 - Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5 - Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6 - Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard non-conforming additions to the original structure.

Definitions of Not Updated, Updated, and Remodeled

Not Updated - Little or no updating or modernization. This description includes, but is not limited to, new homes. Residential properties of fifteen years of age or less often reflect an original condition with no updating. If no major components have been replaced or updated, those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is "Not Updated" may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated - The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost. An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled - Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion. A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example: 3.2 indicates three full baths and two half baths

| Code | Description | Location |
|---------|--------------------------------|---------------------------------------|
| Comm | Commercial Influence | Location |
| Conv | Conventional | Sale or Financing Concessions |
| cp | Carport | Garage/Carport |
| CrOrd | Court Ordered Sale | Sale or Financing Concessions |
| CitySky | City View Skyline View | View |
| CityStr | City Street View | View |
| cv | Covered | Garage/Carport |
| DOM | Days On Market | Data Sources |
| DT | Detached Structure | Design (Style) |
| dw | Driveway | Garage/Carport |
| e | Expiration Date | Date of Sale/Time |
| Estate | Estate Sale | Sale or Financing Concessions |
| FHA | Federal Housing Administration | Sale or Financing Concessions |
| G | Garage | Garage/Carport |
| ga | Attached Garage | Garage/Carport |
| gbi | Built-In Garage | Garage/Carport |
| gd | Detached Garage | Garage/Carport |
| GCse | Golf Course | Location |
| GCvw | Golf Course View | View |
| GR | Garden | Design (Style) |
| HR | High Rise | Design (Style) |
| in | Interior Only Stairs | Basement & Finished Rooms Below Grade |
| Ind | Industrial | Location & View |
| Listing | Listing | Sale or Financing Concessions |
| Lnnd | Landfill | Location |
| LtdSght | Limited Sight | View |
| LR | Low Rise | Design (Style) |
| Min | Mountain View | View |
| N | Neutral | Location & View |
| NonArm | Non-Arms Length Sale | Sale or Financing Concessions |
| o | Other | Basement & Finished Rooms Below Grade |
| O | Other | Design (Style) |
| op | Open | Garage/Carport |
| PkV | Park View | View |
| Pstl | Pastoral View | View |
| PubTrn | Public Transportation | Location |
| PwrLn | Power Lines | View |
| Relo | Relocation Sale | Sale or Financing Concessions |
| REO | REO Sale | Sale or Financing Concessions |
| Res | Residential | Location & View |
| RH | USDA - Rural Housing | Sale or Financing Concessions |
| r | Recreational (Rec) Room | Basement & Finished Rooms Below Grade |
| s | Settlement Date | Date of Sale/Time |
| sf | Square Feet | Area, Silo, Basement |
| Short | Short Sale | Sale or Financing Concessions |
| Unk | Unknown | Date of Sale/Time |
| VA | Veterans Administration | Sale or Financing Concessions |
| w | Withdraw Date | Date of Sale/Time |
| wo | Walk Out Basement | Basement & Finished Rooms Below Grade |
| Woods | Woods View | View |
| Wtr | Water View | View |
| WtrFr | Water Frontage | Location |
| wu | Walk Up Basement | Basement & Finished Rooms Below Grade |

reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum, (1) perform a visual inspection of the exterior areas of the subject property from at least the street, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

4. I developed my opinion of the market value of the real property that is the subject of this report based on a comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

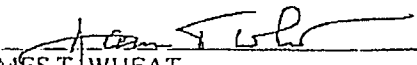
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
Name JAMES T. WHEAT
Company Name SC APPRAISAL SERVICE LLC
Company Address PO BOX 210545
COLUMBIA, SC 29221-0545
Telephone Number 803-798-8621
Email Address scappraisalservice@sc.rr.com
Date of Signature and Report 11/03/2014
Effective Date of Appraisal 10/31/2014
State Certification # CR 467
or State License # _____
or Other (describe) _____ State # _____
State SC
Expiration Date of Certification or License 06/30/2016
ADDRESS OF PROPERTY APPRAISED
25 Caddis Creek Court
Irmo, SC 29063-8140

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

Did not inspect exterior of subject property
 Did inspect exterior of subject property from street
Date of Inspection _____

COMPARABLE SALES

Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
Date of Inspection _____

APPRAISED VALUE OF SUBJECT PROPERTY \$ 128,000

LENDER/CLIENT

Name No AMC
Company Name Brian Boger
Company Address 1331 Elmwood Ave
Columbia, SC 29201
Email Address _____

BOB 181987

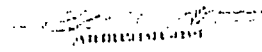
State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

JAMES T WHEAT

is hereby entitled in practice as a
Certified Residential Appraiser

License Number: 467

Expiration Date: 06/30/2014
BY THE CLERK



Administrative

STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS
)
 COUNTY OF RICHLAND) C/A # 2014-CP-40-00847
)
 Winrose Homeowners' Association,)
 Inc.,)
)
 Plaintiff,)
)
 vs.)
)
 Devery A. Hale and Tina T. Hale,)
)
 Defendants.)

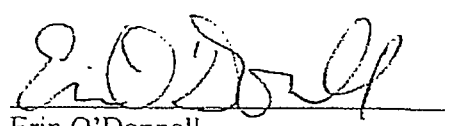
CERTIFICATE OF SERVICE

I, Erin O'Donnell, Law Clerk at the Law Offices of Brian L. Boger, counsel for Defendants Devery Hale and Tina Hale, do hereby certify that I have served Plaintiff's counsel in this action with a copy of the documents specified below via United States First Class Mail.

2014 NOV -4 PM 1:32
 JEANETTE W. HOBBS
 S.C.P. & G.S.
 RICHLAND COUNTY
 FILED

Documents: Motion to Vacate Sale of Defendants

Counsel: Eric C. Hale
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 Erin O'Donnell

November 4, 2014
 Columbia, SC

STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS
)
COUNTY OF RICHLAND) CASE #: 2014-CP-40-0847

Winrose Homeowners)
Association, Inc.,)
)
Plaintiff,)
v.)
Devery A. Hale, et al.,)
)
Defendant.)

HEARING

Friday, February 6, 2015

11:30 a.m. to 12:03 p.m.

The hearing before the Honorable Joseph M. Strickland, Master in Equity for Richland County, was taken in Courtroom 2D of the Richland County Judicial Center, 1701 Main Street, Columbia, South Carolina, on the 6th day of February, 2015, before Robin K. Reibold, Court Reporter and Notary Public in and for the State of South Carolina.

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APPEARANCES

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EXHIBITS

(There were no exhibits marked during this hearing.)

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1 THE COURT: All right. This is Civil Action Number 2014-
2 CP-40-0847. We have two motions. We have one
3 motion for a writ of assistance, which is another
4 way of saying an eviction because of the -- in the
5 foreclosure case. And we also have a motion to set
6 aside the judicial sale. So I guess logically we
7 should hear the motion and set aside the judicial
8 sale first. And if that motion is granted, there
9 won't be an eviction. But if that motion is denied,
10 we'll need to set a move out date. Mr. Boger, do you
11 need a few minutes or are you ready?

12 MR. BOGER: Well, the only thing, if I could ask the
13 Court's permission to perhaps file some affidavits
14 post the hearing for it to make the record right. I
15 have not had a chance to go clock them in, and I
16 need to give them to him. Once again, I apologize.

17 THE COURT: Oh, that's all right.

18 MR. BOGER: But there's fairly -- they're not shocking
19 affidavits.

20 THE COURT: You said post the hearing, after the hearing
21 is over?

22 MR. BOGER: After the hearing. Yes, sir.

23 THE COURT: Or you want to do it now? We've got until
24 2:00, because ---

25 MR. BOGER: Okay. Well, I'm going to clock them in real

3

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1 quick.

2 THE COURT: Okay. We'll stand at ease and you can do
3 that.

4 MR. BOGER: Okay, thank you.

5 (Off the Record)

6 THE COURT: Mr. Boger, you may proceed.

7 MR. BOGER: Thank you, Your Honor. Let me pass up the
8 affidavits of my clients.

9 THE COURT: Thank you. All right, one moment please, let
10 me read it.

11 MR. BOGER: Okay. Your Honor, may it please the Court.

12 THE COURT: Give me one moment, please, I'm sorry. I just
13 want to read the affidavits before we get started.
14 Let me do my best to make it clear that I understand
15 the facts. Winrose Homeowners Association,
16 Incorporated sued Mr. and Ms. Hale and prevailed --
17 foreclosed on the lawsuit in South Carolina,
18 prevailed, and there's a judicial sale, and the
19 property was bought at the judicial sale by a third
20 party. And the person -- the entity suing was the
21 homeowner's association. It was not a mortgage
22 foreclosure, it was a homeowners association
23 foreclosure. Mr. Hale is here representing the
24 purchaser. Now, this -- do you have your deed
25 already? I'm sorry, not Mister -- well, I

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1 mispronounced it. One moment, please. Okay. All
2 right. I'm sorry, let me start over again. I've
3 gotten the names confused. Better quit talking.
4 But, in essence, there was judicial sale of a
5 foreclosure of a homeowner's association lien, and
6 now the new owner wants to evict the family that was
7 the owner. And the family wants to set aside the
8 judicial sale. And I'm looking at an addendum to the
9 affidavits that were just handed up. And this
10 addendum is styled "Satisfaction of Judgment" and
11 indicates that "the undersigned attorney for the
12 plaintiff does hereby acknowledge receipt of funds
13 sufficient to satisfy the judgment entered for the
14 plaintiff against the defendants in this case. This
15 document does hereby release the judgement filed
16 against the defendants, Judgment Number 2014-CP-40-
17 847," which matches the docket number of the case.
18 Now, I'm scratching my head. Do we have a sale even
19 after the debts were satisfied?

20 **MS. TROTTER:** No, Judge. The sale was before the judgment
21 was satisfied. The judgment was satisfied with the
22 proceeds of the sale.

23 **THE COURT:** Okay. So it doesn't -- in other words, they
24 didn't pay it ahead of time?

25 **MS. TROTTER:** No. The -- we received \$3011.58 on October

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1 the 20th, 2014, and that was a check from your
2 office.

3 THE COURT: Right.

4 MS. TROTTER: From the proceeds of I believe Regime
5 Solutions.

6 THE COURT: Okay. All right. Mr. Boger, you may proceed.

7 MR. BOGER: Thank you, Your Honor.

8 THE COURT: Yes, sir.

9 MR. BOGER: I do have a small housekeeping matter before I
10 argue. The caption of the case is Winrose
11 Homeowners Association versus Hale. But I think the
12 -- but I think Regime Solutions has brought the
13 action for the eviction.

14 THE COURT: That's correct.

15 MR. BOGER: For the record, I just want that to be clear,
16 that although we're operating under the same docket
17 number, I think there's a separate action -- and I
18 guess it's been brought by Regime?

19 MR. HALE: Right. It's not -- it is the same docket
20 number. The only reason is because the final
21 foreclosure decree in the case preserves unto the
22 Master-in-Equity jurisdiction to put the successful
23 bidder in possession of the property. So we're
24 pursuing -- proceeding as the successful bidder
25 pursuant to the foreclosure decree. So it's kind of

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1 difficult -- I'm not substituting myself as the
2 plaintiff, so that's why we just filed these things
3 under the former caption and spelled out in the body
4 what my client's interest is in the property.

5 **THE COURT:** Okay. And I guess to avoid confusion, at some
6 point somebody may be reading this record that
7 doesn't know anything about the case. Mr. Hale
8 representing the third-party bidder has the same
9 last name as the family that ---

10 **MR. HALE:** That's correct. No relation, but has the same
11 last name. That's correct.

12 **THE COURT:** Right. So I hope the record will be clear on
13 that, and we can proceed. Let me ask though before
14 we get started, I'm looking through your motion. Mr.
15 Eric Hale, your client paid how much at the judicial
16 sale?

17 **MR. HALE:** My client paid the sum of \$3036 at the judicial
18 sale.

19 **THE COURT:** Okay. And I think y'all have been negotiating,
20 and please correct me if I get out of line, but I
21 think y'all have been negotiating selling the
22 property back to them; is that correct?

23 **MR. HALE:** We've had some discussions. In furtherance of
24 that, the defendants have early on made an offer to
25 purchase the property back from my client -- I mean,

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1 to my client. Their offer was not unreasonable in
2 my estimation; however, my client is -- my client
3 recognized that the property had equity in it, and
4 they declined their offer. They had made a counter
5 offer, which was significantly more than the offer
6 that the former homeowners made, and that is what is
7 necessitating this motion hearing today.

8 **THE COURT:** All right. Now, the affidavits from the
9 Hales, Tina and Devery Hale, says that y'all want
10 them to pay \$70,000; is that accurate? Is that -- I
11 mean, Mr. Boger, are y'all saying -- that's what
12 your clients said?

13 **MR. BOGER:** That was the first.

14 **THE COURT:** That was another -- that was one of the first
15 -- yes, sir?

16 **MR. HALE:** I don't believe that's accurate. If I need to
17 get an affidavit to contest that issue, I'll be happy
18 to go back to my client. I don't -- I don't know, and
19 I don't know that it's even relevant to the hearing
20 before Your Honor today. But my understanding was -
21 - and this is my understanding, I'd have to clarify
22 this with my client to be a hundred percent on it.
23 There's \$70,000 worth of equity in the property and
24 that my client was willing to split the difference
25 with them and let them pay half of the equity back

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1 to them in order to -- that's my understanding, but
2 I'm not a hundred percent on it. If I need to get an
3 affidavit to that effect, I can go to my client, but
4 I don't know.

5 **THE COURT:** And there's a mortgage on the property?

6 **MR. HALE:** There is a mortgage on the property. I think
7 his client -- it's \$104,250 according to the public -
8 - public record. His clients, by way of affidavit,
9 represent that the balance presently owing is about
10 \$66,000.

11 **THE COURT:** Okay. Now, this -- it happens sometimes that
12 we set aside a judicial sale. I take that very
13 seriously. That's a fairly serious outcome. But
14 over the years, in reviewing these type of motions,
15 one of the reasons sales are set aside is because --
16 because the amount paid at the sale apparently wasn't
17 really reflective of what the property was actually
18 worth. And Mr. Boger probably has a more artful way
19 of stating that.

20 **MR. HALE:** Well, and I think that's basically the argument
21 that's before you today. Everybody has one or
22 another position on it. I'm going to hand you up a
23 case. If I may approach, Your Honor.

24 **THE COURT:** Oh, sure.

25 **MR. HALE:** The case of Arrow Bonding.

9

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1 THE COURT: Uh-huh.

2 MR. HALE: I won't make you read the whole thing.

3 MR. BOGER: I have it right here.

4 MR. HALE: You've already got it? And I believe this is a
5 case that is directly on point here in South
6 Carolina. This case involved a situation where a
7 bondsman was given a -- was given a piece of -- a
8 pledge on a piece of property and was subject to,
9 just like in this case, and is subject to a senior
10 mortgage on the property. In fact, it was several.

11 THE COURT: Right.

12 MR. HALE: But I'm not going to go way into the details.
13 It's just like this case. My client owns this
14 property subject to the senior mortgage on the
15 property. The fact that they only paid \$3036 for it
16 cannot be considered absent also considering the
17 mortgage out there that they will have to pay in
18 order to be the free and clear owners of this
19 property. As I set out in my motion, before I knew
20 what the balance was on the mortgage, I took the
21 amount of the mortgage plus the bid, which came out
22 to \$107,000. And then I divided that number by the
23 amount that they say the property is worth,
24 \$128,000, which came out to approximately 83 percent
25 of the value of the property. Now, I've just done

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1 the math quickly in my head. With the amount that
2 they're saying now, my clients paid roughly 54
3 percent of the value of the property. Neither one
4 of those shock the conscience. I know Your Honor
5 sells properties all day long in here for 54 percent
6 of the fair market value. Moreover, if this
7 argument was to prevail, my client nor Ms. Trotter
8 will ever be able to sell a property at a
9 foreclosure sale by way of a homeowners association
10 fee because their dues are never going be more than
11 five, six, \$7,000. The property is always going to
12 be worth 100, 200, \$300,000, and it's always going to
13 shock the conscience if you don't take into
14 consideration the value of the mortgage on the
15 property as well. So, in essence, there will be no
16 more foreclosure -- HOA foreclosures if this theory
17 prevails. And I think that public policy and our
18 longstanding jurisprudence in that regard prohibits
19 such an outcome. Thank you, Judge.

20 THE COURT: Okay. Now, Mr. Boger, if I grant your motion
21 to set aside the sale, what happens to the
22 homeowners association's dues and what happens to
23 Mr. Hale's client? I mean, what would happen to
24 those people if, in fact, I grant your motion?

25 MR. BOGER: Your Honor, my clients are willing to pay the

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1 full amount of the lien, which was \$3036 that they
2 paid. And, quite frankly, you've asked and my
3 clients have put in the affidavit, they've also
4 offered a 300 percent profit to Mr. Hale's clients.
5 They've offered \$9000 to pay -- to pay -- to buy
6 their house back. And I think -- I think -- I'm
7 going to say Eric, because it just makes it easier -
8 --

9 **THE COURT:** Okay, I'm sorry.

10 **MR. BOGER:** Eric -- I think Eric is right. I think the
11 equity is \$70,000, and I think that his clients
12 wanted \$35,000 from my clients. I think that's -- I
13 think my clients in their affidavit say it's -- that
14 the offer was 70, but I think it's 70 divided by 2.

15 **THE COURT:** Well, if I grant your motion, how soon could
16 your clients pay what they're offering to pay?

17 **MR. BOGER:** They ---

18 **THE COURT:** Both to the regime and both -- I'm sorry, the
19 homeowners association and both to Mr. Eric Hale's
20 client?

21 **MR. BOGER:** They can pay that today, Your Honor.

22 **THE COURT:** Okay. And how would they pay it, with a
23 cashier's check or certified funds or cash or ...

24 **MR. DEVERY HALE:** Certified check, we can ---

25 **MR. BOGER:** A cashier's check, Your Honor.

12

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1 MR. DEVERY HALE: Yeah.

2 THE COURT: Okay. If I grant the motion.

3 MR. BOGER: If you grant the motion. I do want to go
4 through for the record some ---

5 THE COURT: Oh, please. Yeah.

6 MR. BOGER: So, but to answer your -- any more questions,
7 Your Honor, along those lines?

8 THE COURT: I may have some -- because keep in mind, even
9 though I think Mr. Eric Hale said we do this all the
10 time, it's unusual for us to set aside a judicial
11 sale. That is actually rare, and I want to give
12 both sides the full benefit of a clear record for
13 what -- you know, because whoever I rule against is
14 going to probably take it up. And if the staff
15 attorneys and the law clerks and the judges and the
16 justices above read this, I want to make sure they
17 understand what's going on, at least have the facts
18 straight even if, you know, I make a mistake in some
19 other area, but at least we'll have the facts
20 straight. So you may go ahead.

21 MR. BOGER: Well, Your Honor, I had taken -- taken the
22 time looking forward for an appeal, and I'm prepared
23 to argue, I think in a very cogent manner, why this
24 is different than every other case that has been at
25 the Court of Appeals or Supreme Court in this regard

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1 so far. And let me -- let me begin by saying that
2 the history of foreclosures in South Carolina and
3 America has changed since 2008, and especially 2009,
4 beginning with the HAMP program in May of 2009 for
5 South Carolina, the first -- the first
6 administrative order. And then in May of 2011, the
7 second administrative order. I think our court has
8 recognized the fact that our country has a problem
9 with foreclosures, and particularly with mortgage
10 companies. And, quite frankly, Your Honor, I've
11 looked very carefully at the administrative order in
12 regard to whether or not it addresses homeowners
13 associations, and it does not. But I just wanted --
14 from a public policy overall view, there's no
15 question that mortgage foreclosures are treated
16 differently now than they were in 2007. Now, having
17 said that, there have been other cases that have
18 been ruled upon that shock the conscience, which is
19 the -- which is the standard language in our state
20 in this regard. And the first one I'd like to talk
21 about is Fingerhut -- I'm sorry, Bloody Point versus
22 Ashton. And I'll pass that up. I think -- I think I
23 passed it up before, and I've got a little tab on
24 there. And I think I gave this to you before. This
25 is out of Beaufort County, and the first -- and I'll

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1 summarize it this way: Bloody Point sold a -- sold a
2 piece of property. The people who lost it came in
3 and said, what a minute, the value is -- is wrong,
4 just like we're saying here. That part's accurate.
5 We're saying that the value is wrong. But before
6 trial, before the hearing, the people who bought it
7 went and did their own investigation of the value.
8 And they said, and proved beyond any doubt, that the
9 value of that property was in the neighborhood of
10 \$20,000. And I may be off a little bit, but it was
11 well under, well under the amount that was -- it was
12 within that ten percent range on the bid, well
13 within that range. And part of the reason it was
14 that way is, unfortunately, this was Hilton Head,
15 and the property when they bought it was worth a
16 fortune, and by the time it got sold it was worth
17 almost nothing, just like we've seen at Cobblestone,
18 Your Honor, when those lots were selling for
19 \$250,000, and you and I know they went down to \$1000
20 before they were done. So the Bloody Point case is
21 different in that the people that bought it were
22 able to prove that the value was very low, not very
23 high. So let's move -- now, that was a 2014 case,
24 and the court by dicta talks about how the rule, the
25 standard for shocking the conscience, is about ten

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1 percent -- is ten percent of the value of the
2 property. So let's move backwards just a little bit
3 and look at Wells Fargo versus Turner. And you can
4 pass that up to Your Honor. And I have, Your Honor,
5 for your edification, highlighted the parts that I
6 believe are relevant. Now, this was out of
7 Orangeburg County. And this case, this was a
8 mortgage foreclosure, a typical mortgage
9 foreclosure. The mortgage was foreclosed upon. The
10 bidder at the sale bid \$3000, very similar to the
11 amount here. The mortgage company apparently did
12 not send the proper bid person or proper bid at the
13 sale, and \$3000 was 3.65 percent, as you can see
14 where I've highlighted, Your Honor, on the second
15 page, 3.65 percent of the value of the property
16 which was said to be \$86,563. So the court said,
17 well, there's your value, \$86,000, that's what the
18 mortgage was worth. Obviously the bank made a
19 mistake by not setting the proper bid. The court,
20 it shocked the conscience of the court -- of our
21 appellate court, and they reversed the sale, they
22 vacated the sale with no problem because the values
23 were there. Unlike at Bloody Point, where the
24 values were proven to be different than what the
25 homeowners argued. Actually, not homeowners, just

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1 owners of property. Now, let's talk about the case
2 that Eric Hale talked about, and that is Arrow
3 Bonding versus Warren. And once again, I would
4 point out that the difference in that case is this
5 is not a homeowners association lien, this was a
6 judgment by a bonding -- it was against a bonding
7 company. Somebody put property up for bond, the
8 criminal didn't show up I suppose, and there was a
9 judgment. The key to this case is on page three,
10 Your Honor, at the bottom of the left-hand side of
11 that case, and I would -- if I can approach, it's --
12 it's on the bottom of the left-hand side, and it
13 says, "Warren," who was the person trying to undo
14 the sale, "Warren failed to demonstrate gross
15 inadequacy in the sales price, as the record is
16 devoid of evidence of the true value of the
17 properties." That's the key. There was -- that's why
18 the court -- they had nothing to base anything to
19 shock anybody's conscience on because the record was
20 void. Now -- now, the reason that this case, now
21 turning to my client, the Hales here, the reason
22 this case is different, I am giving Your Honor all
23 kinds of reasons why the evidence of value is in
24 front of you. The first one is in my motion to
25 vacate itself, which is -- and, Your Honor, do you

17

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1 have -- does Your Honor have the actual motion?

2 **THE COURT:** I have it in the file.

3 **MR. BOGER:** Well, attached to that motion is, if I could
4 pass it up, Your Honor ---

5 **THE COURT:** Sure, that's fine.

6 **MR. BOGER:** --- is a copy. We went ahead and did, in
7 anticipation of this hearing, we went ahead and had
8 an appraisal done of this property, a current
9 appraisal in 2014, and it's \$128,000. So if you go
10 back to the Orangeburg County case, that's the Wells
11 Fargo versus Turner, where they had the value there,
12 and that -- and I daresay that was an \$86,000 value.
13 I'm giving you \$128,000 value with the same purchase
14 price. And we have the value. Even more, I'm giving
15 another basis for Your Honor to rule to help these
16 fine people, and that is we have also have attached
17 by affidavit a copy of their mortgage statement, and
18 it shows the balance on that is \$66,000. If you do
19 the difference between 66 and 128, it's -- I was
20 going to go -- it's 54,000, my good friend Eric --
21 54,000. It's two and a half percent -- I'm sorry,
22 it's less than ten percent. You get the idea, Your
23 Honor, hopefully. \$54,000. If they only paid
24 \$3000, it's still way under ten percent. If they had
25 paid \$5400, I might have a problem. On the equity,

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1 just the equity, not the value. So I have two
2 reasons, two -- and I can't always do this. I've got
3 two wonderful reasons. I've got value of property
4 and I've got equity to show that this sale should be
5 vacated. And the other -- the other reasons are --
6 and I really thought a lot about this, Your Honor,
7 these, as you know, these cases bother me
8 tremendously. But I think that as a -- as a public
9 policy, we need to -- we need to think about people
10 losing their homes on homeowners association dues
11 and maybe having this court or the appellate court
12 say, you know, say in a homeowners association lien
13 case, we need to look at the value before we sell
14 it. We need to look at the equity before we sell
15 it. Does that mean we need to check the title on
16 every one? I don't think so, but I think counsel for
17 the HOA could do a quick search and provide that in
18 an affidavit form, which would not take any time at
19 all to say there's a mortgage on it, it's current,
20 it's not current, and here's the value of the
21 property. It would not be a burden on the court, or
22 certainly it'd be a very small burden on the HOAs,
23 and they wouldn't find themselves in court all the
24 time on these matters. And finally, Your Honor, the
25 -- I think this Court has the ability in its gavel

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1 to do equity where perhaps equity should be done.
2 And even my good friend Eric Hale says his clients
3 have been unreasonable in negotiations. I think
4 that these people deserve this home. They're hard-
5 working people. They're not behind on their
6 payments. Ms. Hale works as a dental assistant.
7 She cleans teeth all day, God bless her. And Mr.
8 Hale works at the -- in the prison system for the
9 State of South Carolina. These are fine people,
10 making their house payment. I just -- I think I've
11 given you enough reasons, Your Honor, to vacate this
12 sale. And we'll pay the money, we'll pay them \$9000
13 today in a cashier's check, if they will just take
14 it.

15 **THE COURT:** Okay. Ms. Trotter, anything to add?

16 **MS. TROTTER:** Just briefly, Judge. I just want to point
17 out, there's been a lot of talk about equity and
18 everything. I think the defendants -- I'm going to
19 refer to them as defendants for the Hale confusion,
20 in their affidavit, they admit they were served with
21 this. They put it in a drawer and didn't do anything
22 with it. The record is replete with notices that
23 were sent, from the affidavit of default and order
24 of reference, to the notice of hearing. No one
25 appeared at the hearing. My office had no contact

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1 with anybody before the hearing. So, to the extent
2 there's a discussion about placing extra burdens on
3 the association, in this particular case there was
4 absolutely no contact from the defendants before we
5 ever made it to the sale. I think the defendants'
6 attorney has stated -- Mr. Boger has stated, you
7 know, that my office could do research. No one will
8 tell me whether the mortgage is in default or not.
9 All I can do is look on the public index, which we
10 do before we file our own action. Obviously if
11 there's a lis pendens in place, we're not going to try
12 and beat a senior lien. But I have no way of
13 knowing if someone is paying their mortgage. I have
14 no way of knowing the -- in this particular case, I
15 had a title abstract that did show the original
16 mortgage amount, but I had no idea that there was
17 some amount of equity in the property because that's
18 just not public knowledge.

19 **THE COURT:** And also in South Carolina, you're not -- in a
20 foreclosure, you're not required to join a senior
21 lien holder as a part of the foreclosure.

22 **MS. TROTTER:** Correct, because my foreclosure cannot
23 possibly affect their legal rights to their
24 mortgage, so they're not a necessary party to the
25 foreclosure. In closing, the plaintiff would just

21

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1 agree with the case that's before the Court. I think
2 the important part of the Arrow Bonding case, it
3 says -- the Wells Fargo case, yes, the amount of the
4 mortgage was a fair gauge of the property's value
5 because a senior mortgage is wiping out any junior
6 encumbrances. It says the Arrow case is different
7 because in a judgment execution sale, much like a
8 foreclosure sale by a junior lien holder, the buyer
9 takes the property subject to the mortgage as well
10 as the other liens. So the Arrow Bonding case
11 simply stands for the proposition that, yes, a
12 third-party bidder may pay \$3000 cash at a sale, but
13 they don't get a property free and clear. They also
14 have a -- in this case I think a \$66,000 mortgage as
15 well. So that \$66,000 has to be added to the cash
16 that they paid at the sale when determining what
17 their purchase price was to then apply the ten
18 percent shocks-the-conscience standard, which I
19 think Eric Hale has said works out to about 54
20 percent of the appraisal that the defendants have
21 obtained. So I think Arrow Bonding is directly on
22 point. But if you take the cash Regime Solutions
23 paid at the sale, plus the senior lien that they
24 assume or they hold the title subject to, you get 54
25 percent of the total value of the price, which is

22

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1 well outside the ten percent range that the courts
2 have said shocks the conscience.

3 **THE COURT:** Now -- oh, go ahead, Mr. Hale.

4 **MR. HALE:** Well, I just want to make sure just in case we
5 appeal one way or the other that I've made my record
6 as well. I wanted to hand up, Your Honor -- I've
7 already handed this to Brian previously, but these
8 are just some documents that are part of the public
9 record. It's a copy of the mortgage and the UCC, as
10 well as the print out for -- from the Register of
11 Deeds Office with regards to the taxable value on
12 the property as well.

13 **THE COURT:** Okay.

14 **MR. HALE:** It's -- I'm going to say the same thing that
15 Brian has already said. The property is worth about
16 \$128,000. That's what his appraisal says, that's what
17 the -- that's what the Register of Deeds is taxing it
18 at. Everybody agrees it's \$128,000. I want to make
19 a couple of points really quick, and I believe
20 Stephanie pointed this out, but I want to make it
21 crystal clear. Brian says he relies on Wells Fargo
22 versus Turner. That case is specifically
23 distinguished in the Arrow Bonding case. It is
24 referred to, and it says, hey, that's a senior
25 mortgage foreclosure case, it involved a deficiency

1 sale. The senior mortgage came in and bid at the
2 deficiency sale \$3000. It was an accident. It was
3 3.65 percent of the total value, less than ten
4 percent. It shocks the conscience. So, but that's
5 not what we have in our case. In Arrow Bonding, we
6 have a judgment. It's a junior lien foreclosure.
7 And they said the proper way -- this is a Judge
8 Booth case by the way from Sumter County, says Judge
9 Booth did it right. The way to calculate this is
10 how much did the bidder at the junior lien
11 foreclosure sale bid, and what liens did he take it
12 subject to. We add all those together, and we
13 divide it by the fair market value, which in this
14 case Brian talks about the record being devoid. The
15 reason that was important in this case is they
16 assumed certain values to the property based upon
17 the public index because they had nothing else.
18 But, even if we take Brian's case -- take all Brian's
19 evidence here, we take \$66,000, we add \$3000 to it,
20 that makes roughly \$70,000 that my client is
21 obligated to pay by virtue of their bid in order to
22 be the owner of this property. And the property is
23 worth approximately \$128,000. My client has
24 effectively paid almost 60 percent of the value of
25 this property. That doesn't shock the conscience.

24

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1 It just doesn't shock the conscience. It's not ten
2 percent, it's not anywhere close to ten percent; it's
3 six times that much. Brian also talks about putting
4 burdens on the association. But what he fails to
5 consider is the burden is put on a bidder. My
6 client is a bona fide purchaser. They paid good
7 money for value without notice of any liens or
8 defects out there other than what's on public index.
9 I can't be -- my client cannot be responsible for
10 trying to divine what the property is worth. We
11 don't know if they refinanced the property. We don't
12 know if the bank has made a subsequent advance on
13 the original mortgage. We don't know. All we know
14 is there's a mortgage out there, and we're taking it
15 subject to that. I also want to just clarify, just
16 in case my client gets a chance to read this
17 transcript, I didn't indicate my client was being
18 unreasonable in their dealings, but that the Hales
19 were not being unreasonable in their offer and that
20 I thought that it was fair.

21 **THE COURT:** I think that's what I heard, that they made a
22 reasonable offer. You didn't say anything about your
23 clients, just that ---

24 **MR. HALE:** Just in case my clients want to read the
25 transcript.

25

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1 THE COURT: All right. One moment, please.

2 MR. HALE: Thank you, Your Honor.

3 THE COURT: And again, let me get the facts straight.

4 What was the bid amount, Mr. Hale?

5 MR. HALE: The bid amount was \$3036 -- let me hand you up
6 a memorandum I just clocked in. That will make it
7 easier for you. Down there in the footnote on the
8 very bottom of that page was what we originally
9 calculated off of the mortgage amount. The bid
10 amount is in there as well, as is the market value
11 that Brian asserts the property is worth as is
12 substantiated by the Register of Deeds records.

13 THE COURT: Okay. What was the bid amount, for clarity --

14 -

15 MR. HALE: \$3036, as I recall, Your Honor. That's correct,
16 it's \$3036.

17 THE COURT: And Ms. Trotter, what was the amount that was
18 paid to satisfy the judgment?

19 MS. TROTTER: \$3011.58.

20 THE COURT: So there were surplus funds of a few dollars?

21 MS. TROTTER: Yes, Judge. The association had some
22 additional costs post-judgement, but they're not
23 making a claim for any of those. I think there's a
24 \$45 bid fee or something.

25 THE COURT: The motion for a writ of assistance is denied

26

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1 at this time. The motion to set aside the sale is
2 going to be taken under advisement. Mr. Boger, if
3 you could submit a proposed order by this time next
4 week, is that too soon?

5 MR. BOGER: No, that's perfect, Your Honor. I've done a lot
6 of work on this.

7 THE COURT: All right. And, Mr. Hale, if you want to
8 submit a proposal order, please do it by this time
9 next week. Ms. Trotter, you as well. No, you're
10 not going to submit one? No, I understand.

11 MS. TROTTER: I don't think my client's all that much in it
12 at this point. I'm sure that Eric Hale will do a
13 great job on his proposed order.

14 THE COURT: Okay. And, Robin, do you know who's
15 representing who, and you've got everything straight
16 on that?

17 THE COURT: Yes, sir. I'm good. Thank you.

18 THE COURT: Okay. All right. And we'll wait to hear from
19 y'all, and I'm going to commit, and y'all may remind
20 me that I'm going to make a ruling fairly quickly
21 after I read your proposed orders. And, meanwhile,
22 keep in mind that y'all can settle this without my
23 input. So if your clients want to keep talking to
24 each other, that's fine. But I'd like to hear from
25 the lawyers by this time next week.

27

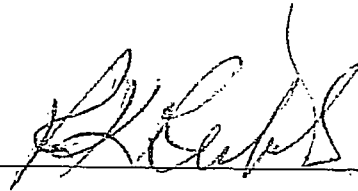
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1 MR. HALE: Very good. Thank you, Judge.
2 THE COURT: All right. You're welcome.
3 (There being nothing further, the hearing was concluded at
4 at 12:03 p.m.)

CERTIFICATE

I certify that the foregoing transcript, consisting of 28 pages, is a true, accurate and complete transcript of the hearing taken before me, Robin K. Reibold, the undersigned Court Reporter. This hearing was held without a jury before The Honorable Joseph M. Strickland, Master in Equity for Richland County, on February 6, 2015, in the within-captioned case.

Said hearing was reported using the method of Stenomask with backup and was transcribed by me.



September 24, 2015

ROBIN K. REIBOLD
MY COMMISSION EXPIRES: 4-28-2021

1 THE COURT: Okay, Mr. Hale, would you read the caption for
2 me, please?

3 MR. HALE: Yes, Your Honor. This is Winrose Homeowner's
4 Association, Inc. versus Devery A. Hale and Tina T.
5 Hale, no relation. And my client is Regime
6 Solutions, LLC. They were the successful bidder at
7 the homeowners' association foreclosure sale and the
8 present owner of the subject property.

9 THE COURT: And today we're here for what proceeding?

10 MR. HALE: It's -- on two motions, very similar to the
11 last one. It's on a rule to show cause, which is
12 only going to be ripe I suppose after Mr. Boger's
13 motion to vacate the sale is heard. He has a
14 pending motion to vacate the sale based upon the
15 adequacy and sufficiency of the bid price.

16 THE COURT: All right, all right. This is another case we
17 need to continue, and I apologize, because of an
18 administrative issue in my office. I don't have
19 this case on the docket at all, and so as a result
20 I'm not prepared for it today. And I hate to hear
21 motions when I'm not prepared, especially one as
22 significant as setting aside the sale, judicial
23 sale. Now, Mr. Boger, just for clarity of the
24 record, are your clients still living in the
25 property?

1 MR. BOGER: They do, Your Honor, they're seated here with
2 me at the council table, and they are current on the
3 mortgage. There's never been an issue with the
4 mortgage payment.

5 THE COURT: All right. No, Mr. Hale's client is not
6 claiming there's any problem with the mortgage,
7 they're talking about the regime fees; is that
8 correct, Mr. Hale?

9 MR. HALE: They were the successful bidder at the
10 foreclosure sale.

11 THE COURT: Yeah. And of course that law is kind of in
12 flux, it's in flux in my mind because I'm not sure
13 that you can handle a regime fee the same way you
14 can handle a mortgage, as far as the foreclosure
15 process is concerned. However, that's the way it's
16 been done the last few years. In fact, Ms.
17 Trotter's firm has been a pioneer in that whole
18 effort and have yet to convince anybody, any judge I
19 think, that there's anything wrong with what y'all
20 are doing. Is that the case, is that accurate?

21 MS. TROTTER: I think we've got seven orders, we're up to
22 about seven.

23 THE COURT: From judges that say you're okay?

24 MS. TROTTER: Yes, approving the process.

25 THE COURT: Right. And, Mr. Hale, your client bid on the

1 property at the judicial sale?
2 MR. HALE: That's correct.
3 THE COURT: And got a deed from our office?
4 MR. HALE: That is correct, Your Honor.
5 THE COURT: Which was duly recorded?
6 MR. HALE: That's right.
7 THE COURT: All right. Now, are you willing to settle
8 this with the Hales?
9 MR. HALE: We've made offers in settlement with the Hales.
10 Candidly, my client is not being what I consider
11 reasonable in their expectations. The reality is,
12 my clients believe there is significant equity in
13 the property and that they stand to profit from
14 getting the property and paying the mortgage off.
15 THE COURT: I was going to ask you that. They plan to
16 assume the mortgage?
17 MR. HALE: They are prepared to pay the mortgage off once
18 they have quiet title to the property.
19 THE COURT: Okay. Mr. Boger, it looked like your client
20 wanted to say something or either speak to you.
21 MR. BOGER: Well, I just wanted to make sure that this
22 matter is going to be continued, is that correct?
23 THE COURT: Yes, yes. You know, I know you did make a
24 motion, but I'm going to do it because I'm not
25 prepared to hear it today.

1 MR. BOGER: Okay, I'd -- rather than going through all of
2 it twice, I'd rather -- I mean, I can chat about it
3 maybe off the record.

4 THE COURT: Yeah, y'all can chat with each other. Mr.
5 Hale, though, wanted to say something, so I' want to
6 let him speak if he wants to.

7 MR. BOGER: Okay. I think it's just not time for him to
8 speak.

9 MR. DEVERY HALE: No, I don't.

10 THE COURT: All right.

11 MR. BOGER: We'll continue it.

12 THE COURT: Would you do me a favor, Mr. Hale, send me an
13 email or a letter just reminding me of the two
14 cases, that there are motions involved that were not
15 scheduled, and I'll make sure that I don't drop the
16 ball next time. I apologize to everyone concerned.

17 MR. HALE: No problem.

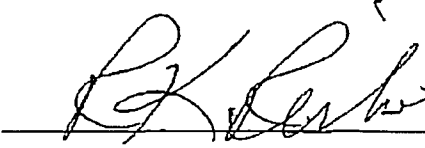
18 (There being nothing further, the hearing was concluded at
19 10:05 a.m.)

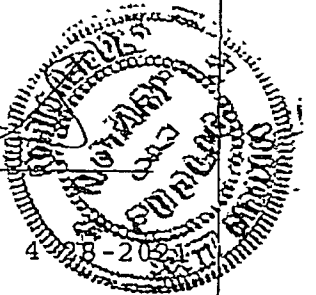
CERTIFICATE

I certify that the foregoing transcript, consisting of 5 pages, is a true, accurate and complete transcript of the hearing taken before me, Robin K. Reibold, the undersigned Court Reporter. This hearing was held without a jury before The Honorable Joseph M. Strickland, Master in Equity for Richland County, on August 15, 2014, in the within-captioned case.

Said hearing was reported using the method of Stenomask with backup and was transcribed by me.

January 23, 2015


ROBIN K. REIBOLD
MY COMMISSION EXPIRES: 4



Contract Price \$ () Date of Contract Is the property seller the owner of public records? Yes No Data Source(s) Richland Cty Tax Re
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

| Neighborhood Characteristics | | | | One-Unit Housing Trends | | | | One-Unit Housing | | Percent Land Use % | |
|--|--|--|------------------------------------|-------------------------|---------------------------------------|--|--------------------------------------|------------------|-------|--------------------|-----|
| Location | <input type="checkbox"/> Urban | <input checked="" type="checkbox"/> Suburban | <input type="checkbox"/> Rural | Property Values | <input type="checkbox"/> Increasing | <input checked="" type="checkbox"/> Stable | <input type="checkbox"/> Declining | PRICE | AGE | One-Unit | 55% |
| Built-Up | <input checked="" type="checkbox"/> Over 75% | <input type="checkbox"/> 25-75% | <input type="checkbox"/> Under 25% | Demand/Supply | <input type="checkbox"/> Shortage | <input checked="" type="checkbox"/> In Balance | <input type="checkbox"/> Over Supply | \$ (000) | (yrs) | 2-1 Unit | 10% |
| Growth | <input type="checkbox"/> Rapid | <input checked="" type="checkbox"/> Steady | <input type="checkbox"/> Slow | Marketing Time | <input type="checkbox"/> Under 3 mths | <input checked="" type="checkbox"/> 3-6 mths | <input type="checkbox"/> Over 6 mths | 105 Low | 0 | Multi-Family | 5% |
| Neighborhood Boundaries <u>NORTH BY HOLLINGSWED RD. EAST BY LOST CREEK</u> | | | | | | | | 130 High | 50 | Commercial | 10% |
| <u>RD. SOUTH BY BROAD RIVER RD. WEST BY I-26</u> | | | | | | | | 115 Pred. | 25 | Other | 20% |

Neighborhood Description The subject neighborhood is located within reasonable proximity to shopping, houses of worship, schools, employment centers, and recreational facilities. Location is 15 miles north of the Central Business District of the City of Columbia, SC.

Market Conditions (including support for the above conclusions) I HAVE CONSIDERED RELEVANT COMPETITIVE LISTINGS AND OR CONTRACT OFFERINGS IN THE PERFORMANCE OF THIS APPRAISAL AND THE TRENDING INFORMATION REPORTED IN THIS SECTION. * "OTHER" PERCENT LAND USE IS VACANT LAND.

Dimensions 37.1X150.3X142.9X142.9 Area 12358 sf Shape GEN RECTANG. View N;Res;Res

Specific Zoning Classification RS-1 Residential Zoning Description Single Family Residential

Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)

Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

SINGLE FAMILY RESIDENTIAL.

Utilities Public Other (describe) Public Other (describe) Off-site Improvements—Type Public Private

Electricity Water Street Asphalt/pub
 Gas Sanitary Sewer Alley NONE

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 4501700040 H FEMA Map Date 07/17/1995

Are the utilities and off-site improvements typical for the market area? Yes No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe

SITE IS TYPICAL IN SIZE; TOPOGRAPHY IS AVERAGE FOR THE SUBDIVISION. NO ADVERSE EASEMENTS OR ENCROACHMENTS NOTED THAT ADVERSELY AFFECT VALUE OR MARKETABILITY.

Source(s) Used for Physical Characteristics of Property Appraisal Files MLS Assessment and Tax Records Prior Inspection Property Owner
 Other (describe) Inspection from street (10/31/14) Data Source(s) for Gross Living Area 1561

| General Description | | General Description | | Heating/Cooling | | Amenities | | Car Storage | |
|---------------------|--|--|--|--|---------------------------------------|--|--|-------------------------------|-------------------------------|
| Units | <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit | <input type="checkbox"/> Concrete Slab | <input checked="" type="checkbox"/> Craw Space | <input checked="" type="checkbox"/> FWA | <input type="checkbox"/> HWBB | <input checked="" type="checkbox"/> Fireplace(s) # <u>1</u> | <input type="checkbox"/> None | <input type="checkbox"/> None | <input type="checkbox"/> None |
| # of Stories | <u>1.5</u> | <input type="checkbox"/> Full Basement | <input type="checkbox"/> Finished | <input type="checkbox"/> Radiant | <input type="checkbox"/> Other | <input type="checkbox"/> Woodstove(s) # <u>0</u> | <input checked="" type="checkbox"/> Driveway # of Cars <u>2</u> | <input type="checkbox"/> None | <input type="checkbox"/> None |
| Type | <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit | <input type="checkbox"/> Partial Basement | <input type="checkbox"/> Finished | <input type="checkbox"/> Other | <input type="checkbox"/> Other | <input checked="" type="checkbox"/> Patio/Deck <u>deck</u> | <input type="checkbox"/> Driveway Surface <u>Concrete</u> | <input type="checkbox"/> None | <input type="checkbox"/> None |
| | <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const. | Exterior Walls | <u>Vinyl / Avg</u> | Fuel | <u>ELEC</u> | <input checked="" type="checkbox"/> Porch <u>front</u> | <input checked="" type="checkbox"/> Garage # of Cars <u>2</u> | <input type="checkbox"/> None | <input type="checkbox"/> None |
| Design (Style) | <u>Traditional</u> | Roof Surface | <u>Composition/avg</u> | <input checked="" type="checkbox"/> Central Air Conditioning | <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Pool <u>unknown</u> | <input type="checkbox"/> Carport # of Cars <u>0</u> | <input type="checkbox"/> None | <input type="checkbox"/> None |
| Year Built | <u>1998</u> | Gutters & Downspouts | <u>none</u> | <input type="checkbox"/> Individual | <input type="checkbox"/> Other | <input checked="" type="checkbox"/> Fence <u>wood</u> | <input checked="" type="checkbox"/> Attached <input type="checkbox"/> Detached | <input type="checkbox"/> None | <input type="checkbox"/> None |
| Effective Age (Yrs) | <u>6</u> | Window Type | <u>Vinyl/S.H. Avg.</u> | <input type="checkbox"/> Other | <input type="checkbox"/> Other | <input type="checkbox"/> Other <u>none</u> | <input type="checkbox"/> Built-in | <input type="checkbox"/> None | <input type="checkbox"/> None |
| Appliances | <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven | <input checked="" type="checkbox"/> Dishwasher | <input checked="" type="checkbox"/> Disposal | <input type="checkbox"/> Microwave | <input type="checkbox"/> Washer/Dryer | <input checked="" type="checkbox"/> Other (describe) <u>vent fan</u> | <input type="checkbox"/> None | <input type="checkbox"/> None | <input type="checkbox"/> None |

Finished area above grade contains: 6 Rooms 3 Bedrooms 2.0 Bath(s) 1.561 Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.) Subject meets 1993 Building Efficiency Standards Act guidelines.

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.).

C3: BASED ONLY ON AN EXTERIOR INSPECTION THE PHYSICAL CONDITION IS AVERAGE. WITH WHAT IS CONSIDERED NORMAL PHYSICAL AS WELL AS FUNCTIONAL INADEQUACIES FOR A PROPERTY THE AGE AND DESIGN OF THE SUBJECT CONSIDERING QUALITY OF MATERIALS AND WORKMANSHIP IN RELATION TO OTHERS.

Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No

If Yes, describe Environmental factors that typically have a negative influence on value were not observed or known. The appraisal does not guarantee that the property is free of defects or environmental problems.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe

Design & appeal, as well as construction quality, are in keeping with all other properties in the subdivision.

| LOCATION | 12/1/2013 | 12/1/2013 | 12/1/2013 | 12/1/2013 | 12/1/2013 |
|---------------------------------------|--------------------|--|--|--|------------|
| Leasehold/Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple | Fee Simple |
| Site | 12358 sf | 8250 sf | 08200 sf | 09745 sf | 0 |
| View | N:Res;Res | N:Res;Res | N:Res;Res | N:Res;Res | |
| Design (Style) | DT1.5;Traditional | DT1:Traditional | 0DT1:Traditional | 0DT1:Traditional | 0 |
| Quality of Construction | Q3 | Q3 | Q3 | Q3 | |
| Actual Age | 16 | 15 | 015 | 019 | 0 |
| Condition | C3 | C3 | C4 | +5.500 | +5.500 |
| Above Grade | Total Bdrms. Baths | Total Bdrms. Baths | Total Bdrms. Baths | Total Bdrms. Baths | |
| Room Count | 6 3 2.0 | 6 3 2.0 | 6 3 2.0 | 6 3 2.0 | |
| Gross Living Area | 1,561 sq. ft. | 1,307 sq. ft. | +5,080 1,210 sq. ft. | +7,020 1,364 sq. ft. | +3,940 |
| Basement & Finished Rooms Below Grade | 0sf 0rr0br0.0ba0o | 0sf 0rr0br0.0ba0o | 0sf 0rr0br0.0ba0o | 0sf 0rr0br0.0ba0o | |
| Functional Utility | Average | Average | Average | Average | |
| Heating/Cooling | Fwa/Central | Fwa/Central | Fwa/Central | Fwa/Central | |
| Energy Efficient Items | Ins/Ins Wind | Ins/Ins Wind | Ins/Ins Wind | Ins/Ins Wind | |
| Garage/Carport | 2ga2dw | 2dw | +5.500 2dw | +5.500 2ga2dw | |
| Porch/Patio/Deck | Porch/Deck | Porch / Patio | +2.000 Porch/Deck | Porches | +3.500 |
| KITCHEN | ro mw dw ds | ro mw dw ds | ro mw dw ds | ro mw dw ds | |
| LANDSCAPING | Modest/Fence | Modest/Fence | Modest/Fence | Modest/Fence | |
| FIREPLACE | 1 fireplace | None | +1.500 1 fireplace | 1 fireplace | |
| Net Adjustment (Total) | | X - - \$ 14,080 | X + - - \$ 18,020 | X + - - \$ 12,940 | |
| Adjusted Sale Price of Comparables | | Net Adj. 12.30% Gross Adj. 12.30% \$ 128,600 | Net Adj. 16.38% Gross Adj. 16.38% \$ 128,000 | Net Adj. 10.98% Gross Adj. 10.98% \$ 130,800 | |

I did not research the sale or transfer history of the subject property and comparable sales. If not, explain Public records and Richland County Assessor's records indicate the last recording of a transfer was 05/06/1998, FOR \$104,250. No sales of the three comps during prior year.

My research did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) Richland County tax assessors records, CMLS.

My research did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) Richland County tax assessors records as well as CMLS records.

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

| ITEM | SUBJECT | COMPARABLE SALE # 1 | COMPARABLE SALE # 2 | COMPARABLE SALE # 3 |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Date of Prior Sale/Transfer | | | | |
| Price of Prior Sale/Transfer | | | | |
| Data Source(s) | CMLS/Rich Cty Tx Recd | CMLS/Rich Cty Tx Recd | CMLS/Rich Cty Tx Recd | CMLS/Rich Cty Tx Recd |
| Effective Date of Data Source(s) | 10/31/2014 | 10/31/2014 | 10/31/2014 | 10/31/2014 |

Analysis of prior sale or transfer history of the subject property and comparable sales The analysis of the sales/transfer information for the subject property was obtained from CMLS and Richland County Tax Records as of 10/31/2014. The analysis of the sales information stated in the grid was limited to CMLS and Richland County Tax Records as of 10/31/2014.

Summary of Sales Comparison Approach All comparables used are closed sales, located within the same market area as the subject, with similar market conditions. The comps are all considered to be good indicators of value. Appropriate adjustments have been made for all known and/or observed differences and were extracted from the market based on paired sales data. All sales were given equal weight in estimating the market value.

Indicated Value by Sales Comparison Approach \$128,000

Indicated Value by: Sales Comparison Approach \$ 128,000 Cost Approach (if developed) \$ Income Approach (if developed) \$

MARKET APPROACH IS THE BEST INDICATOR OF VALUE, WHICH SHOWS THE TYPICAL BUYER AND SELLER REACTION IN THE MARKETPLACE. THE INCOME APPROACH WAS NOT USED DUE TO THE LACK OF AVAILABLE DATA ON SIMILAR RENTAL PROPERTY.

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. NO

CONDITIONS Based on a visual inspection of the exterior areas of the subject property from at least the street, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$128,000 as of 10/31/2014, which is the date of inspection and the effective date of this appraisal.

PROVIDING RELEVANT COMPETITIVE LISTINGS/CONTROLS ON MARKET. UNUSUAL SELLER FINANCING CONCESSIONS/BUYDOWNS THAT IMPACT MARKET. THE LIST TO SALES RATIO IS 97%. TYPICAL DAYS ON MARKET IS 180. THE MARKETING TIME TREND IS STABLE. INTEREST RATES FROM 3.50% TO 7.25%. 30 YEARS FIXED RATE LOANS.

THE APPRAISER HAS NO CURRENT OR PROSPECTIVE INTEREST IN THE SUBJECT PROPERTY OR THE PARTIES INVOLVED. THE APPRAISER HAS NOT PROVIDED ANY SERVICES AS AN APPRAISER OR IN ANY OTHER CAPACITY ON THE SUBJECT PROPERTY WITHIN THE PRIOR THREE YEAR PERIOD IMMEDIATELY PRECEDING ACCEPTANCE OF THIS ASSIGNMENT. THE APPRAISER HAS "NOT" AGREED WITH THE CLIENT TO KEEP ANY PRIOR ASSIGNMENTS CONFIDENTIAL.

THE TYPICAL EXPOSURE TIME FOR SIMILAR HOMES IN THIS AREA IS (3-6 MONTHS). THE DEFINITION OF EXPOSURE TIME USED WAS TAKEN FROM THE DEFINITIONS SECTION OF THE 2012-2013 VERSION OF USPAP.

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
 Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) n/a

| | | | | |
|---|-----------------|-----------------------------|------------------------------------|---------------------------------------|
| ESTIMATED | REPRODUCTION OR | REPLACEMENT COST NEW | OPINION OF SITE VALUE | = \$ |
| Source of cost data | | | Dwelling | 1,561 Sq. Ft. @ \$ = \$ |
| Quality rating from cost service | AVG | Effective date of cost data | | Sq. Ft. @ \$ = \$ |
| Comments on Cost Approach (gross living area calculations, depreciation, etc.) | | | Garage/Carport | Sq. Ft. @ \$ = \$ |
| DUE TO AGE OF SUBJECT, THE REPLACEMENT COST WAS NOT CONSIDERED A FACTOR IN ESTIMATING MARKET VALUE. THEREFORE, NOT USED. PROPERTY CONFORMS TO APPLICABLE HUD/VA PROPERTY STANDARDS, WITH NO CONDITIONS. | | | Total Estimate of Cost-New | = \$ |
| | | | Less | Physical |
| | | | Depreciation | Functional |
| | | | External | = \$ () |
| | | | Depreciated Cost of Improvements | = \$ |
| | | | "As-is" Value of Site Improvements | = \$ |
| Estimated Remaining Economic Life (HUD and VA only) | | | 60 Years | Indicated Value By Cost Approach = \$ |

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach
 Summary of Income Approach (including support for market rent and GRM)

PROJECT INFORMATION FOR PUDs (if applicable)

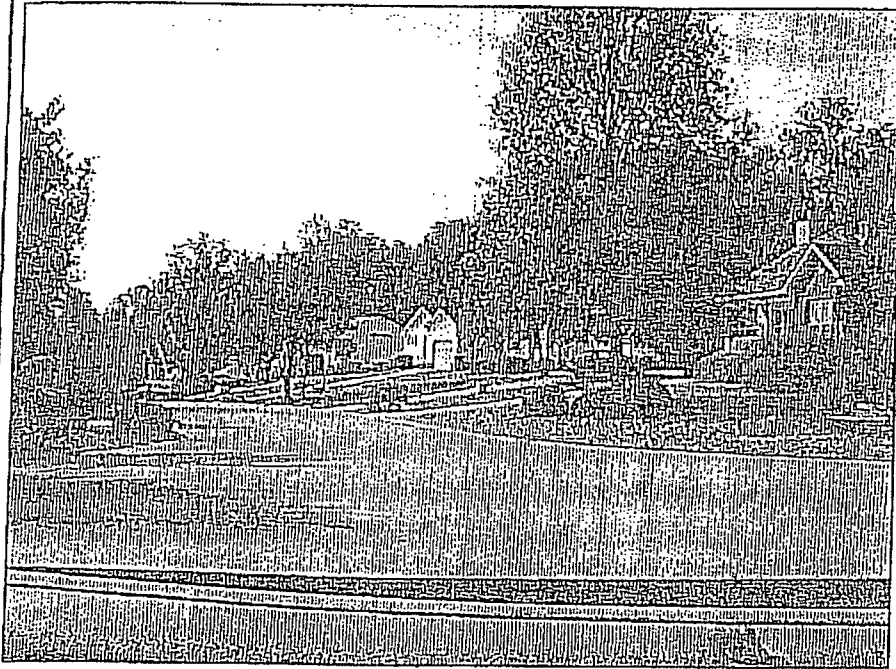
Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
 Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
 Legal name of project
 Total number of phases Total number of units Total number of units sold
 Total number of units rented Total number of units for sale Data Source(s)
 Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion
 Does the project contain any multi-dwelling units? Yes No Data Source(s)
 Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.
 Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.

COMMON AREA MAINTENANCE

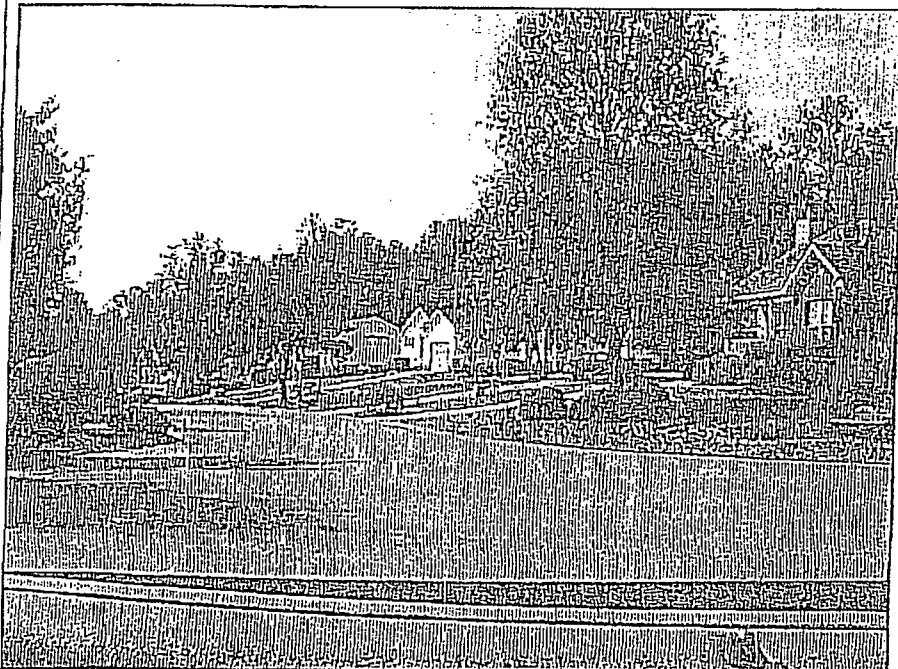
Describe common elements and recreational facilities



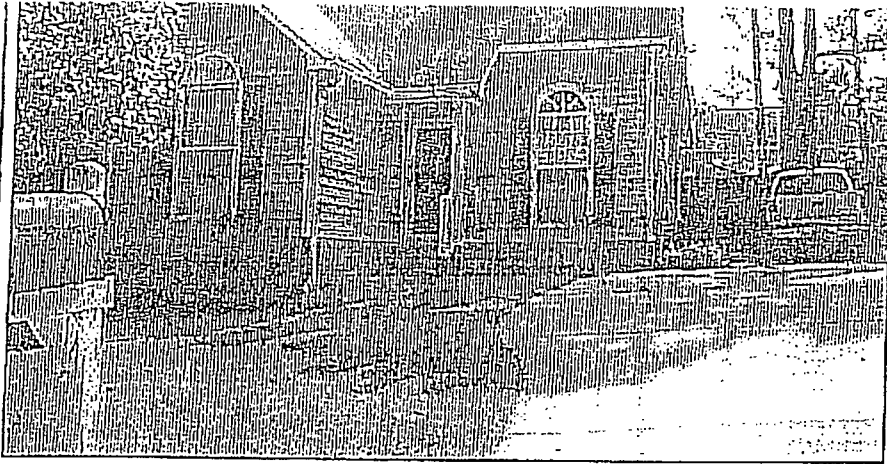
FRONT VIEW OF
SUBJECT PROPERTY



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE OF
SUBJECT PROPERTY



Price \$114,500
Price/SF \$7.61
Date s03/14;c02/14
Age 15
Room Count 6-3-2.0
Living Area 1,307

Value Indication \$128,600



COMPARABLE #2

207 CADDIS CREEK ROAD
Irmo, SC 29063-8139

Price \$110,000
Price/SF 90.91
Date s01/14;c11/13
Age 15
Room Count 6-3-2.0
Living Area 1,210

Value Indication \$128,000

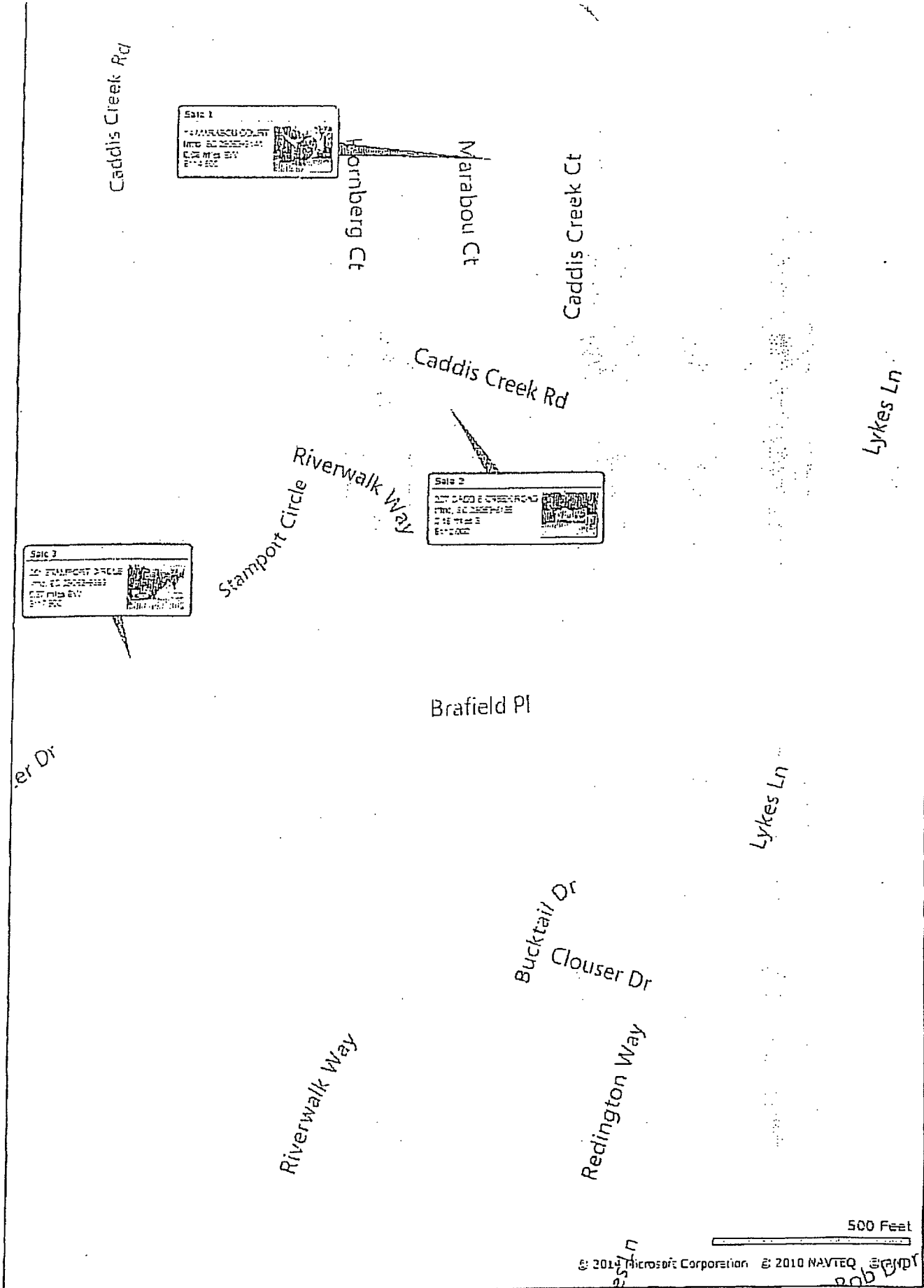


COMPARABLE #3

201 STAMPORT CIRCLE
Irmo, SC 29063-9393

Price \$117,900
Price/SF 86.44
Date s05/14;c05/14
Age 19
Room Count 6-3-2.0
Living Area 1,364

Value Indication \$130,800



new foundation and recycled materials and the recycled components have been manufactured and assembled using recently constructed improvements that have not been previously occupied are not considered "new" if they have significant physical depreciation (i.e., newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep)

C2 - The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and fixtures have been updated and/or replaced with components that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3 - The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4 - The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5 - The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6 - The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

Quality Ratings and Definitions

Q1 - Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified use. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are exceptionally high quality.

Q2 - Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q3 - Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4 - Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate foundation and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or better grade and may feature some upgrades.

Q5 - Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal foundation and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6 - Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Other dwellings may feature one or more substantial non-conforming additions to the original structure.

Definitions of Not Updated, Updated, and Remodeled

Not Updated - Little or no updating or modernization. This description includes, but is not limited to, new homes. Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is "Not Updated" may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated - The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost. An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled - Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion. A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example: 3.2 indicates three full baths and two half baths

| | | |
|----------|--------------------------------|---------------------------------------|
| Cash | Cash | |
| Comm | Commercial Influence | Location |
| Conv | Conventional | Sale or Financing Concessions |
| cp | Carport | Garage/Carport |
| COOrd | Count Ordered Sale | Sale or Financing Concessions |
| CitySky | City View Skyline View | View |
| CityStr | City Street View | View |
| cv | Covered | Garage/Carport |
| DOM | Days On Market | Data Sources |
| DT | Detached Structure | Design (style) |
| dv | Driveway | Garage/Carport |
| e | Expiration Date | Date of Sale/Time |
| Estate | Estate Sale | Sale or Financing Concessions |
| FHA | Federal Housing Administration | Sale or Financing Concessions |
| G | Garage | Garage/Carport |
| ga | Attached Garage | Garage/Carport |
| gbi | Built-In Garage | Garage/Carport |
| gd | Detached Garage | Garage/Carport |
| GHCse | Golf Course | Location |
| GHW | Golf Course View | View |
| GR | Garden | Design (Style) |
| HR | High Rise | Design (Style) |
| In | Interior Only Stairs | Basement & Finished Rooms Below Grade |
| Ind | Industrial | Location & View |
| Listing | Listing | Sale or Financing Concessions |
| Landfill | Landfill | Location |
| LidSght | Limited Sight | View |
| MR | Mid Rise | Design (Style) |
| Min | Mountain View | View |
| N | Neutral | Location & View |
| NonArm | Non-Arms Length Sale | Sale or Financing Concessions |
| o | Other | Basement & Finished Rooms Below Grade |
| O | Other | Design (Style) |
| op | Open | Garage/Carport |
| Pk | Park View | View |
| Pastl | Pastoral View | View |
| PubTrn | Public Transportation | Location |
| PwrLn | Power Lines | View |
| Relo | Relocation Sale | Sale or Financing Concessions |
| REO | REO Sale | Sale or Financing Concessions |
| Res | Residential | Location & View |
| RH | USDA - Rural Housing | Sale or Financing Concessions |
| rr | Recreational (Rec) Room | Basement & Finished Rooms Below Grade |
| s | Settlement Date | Date of Sale/Time |
| sf | Square Feet | Area, Site, Basement |
| Short | Short Sale | Sale or Financing Concessions |
| Unk | Unknown | Date of Sale/Time |
| VA | Veterans Administration | Sale or Financing Concessions |
| w | Withdraw Date | Date of Sale/Time |
| wb | Walk Out Basement | Basement & Finished Rooms Below Grade |
| Woods | Woods View | View |
| Wtr | Water View | View |
| WtrFr | Water Frontage | Location |
| wu | Walk Up Basement | Basement & Finished Rooms Below Grade |

reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum, (1) perform a visual inspection of the exterior areas of the subject property from at least the street, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.


2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
Name JAMES T. WHEAT
Company Name SC APPRAISAL SERVICE LLC
Company Address PO BOX 210545
COLUMBIA, SC 29221-0545
Telephone Number 803-798-8621
Email Address scappraisalservice@sc.rr.com
Date of Signature and Report 11/03/2014
Effective Date of Appraisal 10/31/2014
State Certification # CR 467
or State License # _____
or Other (describe) _____ State # _____
State SC
Expiration Date of Certification or License 06/30/2016
ADDRESS OF PROPERTY APPRAISED
25 Caddis Creek Court
Irmo, SC 29063-8140

APPRAISED VALUE OF SUBJECT PROPERTY \$ 128,000

LENDER/CLIENT

Name No AMC
Company Name Brian Boger
Company Address 1331 Elmwood Ave
Columbia, SC 29201
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

Did not inspect exterior of subject property
 Did inspect exterior of subject property from street
Date of Inspection _____

COMPARABLE SALES

Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
Date of Inspection _____

BCD 08.04.07

State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

JAMES T. WHEAT

Is hereby entitled in practice as a
Certified Residential Appraiser

License Number: 467

Expiration Date: 06/30/2010
0000000000

[Signature]
ADMINISTRATOR