

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Joseph M. Strickland, Master-In-Equity

Case No.: 2013-CP-40-5959

RECEIVED

JUL 29 2016

SC Court of Appeals

Ex Parte: Amie S. Seebauer and Kenneth W. Steiner, III.....Intervenors/Appellants,

In Re: Sterling Lending Group, Inc., as agent for Regent Bank.....Respondent,

v.

Tamara L. Steiner, Thomas Williams, Jr., Ben Staples, SC Housing Corp.,
acting through South Carolina State Housing Finance and Development
Authority's South Carolina Homeownership and Employment
Lending Program, Terry Huffstetter and Tin Huffstetter,
Joan L. Miller, Atlantic Credit & Finance, Inc., Department of
Treasury – Internal Revenue Service, State of South Carolina
Department of Revenue, and First Financial Corporation.....Defendants.

RECORD ON APPEAL
VOLUME 1 OF 1

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Post Office Box 11803
Columbia, SC 29211
ATTORNEYS FOR RESPONDENT.

July 29, 2016

INDEX

Notice of Motion and Motion to Vacate Sale or In the Alternative Stay Sale Until Title is Clear.....	1
Notice of Motion and Motion to Stay or In the Alternative Motion for Continuance.....	3
Order Denying Motion to Vacate Sale or In the Alternative Stay of Sale.....	5
Notice of Motion and Motion for Reconsideration and/or Amendment of Judgment (Rule 59, SCRCP).....	10
Notice of Motion and Motion for Reconsideration and/or Amendment of Judgment.....	13
Notice of Motion and Motion to Intervene and Vacate Foreclosure (Rule 24 and 60, SCRCP).....	19
Notice of Motion and Motion to Intervene and Vacate Foreclosure (Rule 24 and 60, SCRCP).....	21
Petitioners Brief in Support of Rule 59 Motion for Reconsideration.....	23
Order Denying Motion for Reconsideration and/or Amendment of Judgment, Motion to Intervene and Vacate Foreclosure.....	63
September 10, 2015 Motion Hearing Transcript.....	70
February 23, 2016 Proceeding Transcript.....	143

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Kenneth W. Steiner, III, and
Amie S. Seebauer,

Petitioners,

-versus-

Sterling Lending Group, Inc., as
Agent for Regent Bank,

Respondent.

MASTER IN EQUITY

IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

NOTICE OF MOTION AND
MOTION TO VACATE SALE OR
IN THE ALTERNATIVE STAY OF
SALE UNTIL TITLE IS CLEAR

2015 JUN 26 PM 5:00
FILED
RICHLAND COUNTY
JEANETTE W. MCGRATH
C.P. & G.S.

PLEASE TAKE NOTICE, that Petitioners, Kenneth W. Steiner, III, and Amie S. Seebauer, hereby move for an *Order* vacating the sale and/or alternatively staying the sale of 2144 Long Trail, Hopkins, South Carolina 29061, this being the same property that the Honorable Joseph M. Strickland conveyed "***Title to Real Estate***" to Sterling Lending Group, Inc., as Agent for Regent Bank on March 9, 2015. (See attached Exhibit #1, ***Title to Real Estate***).

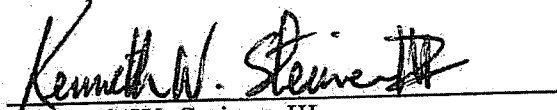
Petitioners' Motion is based upon the belief that the transfer of title to said real estate is voidable because it (1) was not expressly authorized by the ***Last Will and Testament of Phillip Chappell, Jr.***, (2) the Probate Court for Richland County did not authorize the transfer, and (3) the transfer violated SC Code §62-3-713.

Petitioners have simultaneously moved for ***Subsequent Administration to Re-Open the Estate of Phillip Chappell, Jr.***, to allow the Probate Court of Richland County to determine if

the transfer of said real estate by Tamara L. Steiner, as *Personal Representative of the Estate of Phillip Chappell, Jr.*, to herself was a conflict thereby making the transfer voidable.

Said *Motion* is based upon the *Laws* of the State of South Carolina.

Respectfully Submitted:



Kenneth W. Steiner, III
811 Eaton Street
Columbia, SC 29205
Phone: (803)467-8722
Pro Se Petitioner.



Amie S. Seebauer
2114 Long Trail
Hopkins, SC 29061
Phone: (803)309-3200
Pro Se Petitioner.

June 26, 2015
Columbia, South Carolina

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

Kenneth W. Steiner, III, and
Amie S. Seebauer,

Petitioners,

-versus-

Sterling Lending Group, Inc., as
Agent for Regent Bank,

Respondent.

MASTER IN EQUITY

IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

NOTICE OF MOTION AND
MOTION TO STAY OR IN THE
ALTERNATIVE MOTION FOR
CONTINUATION

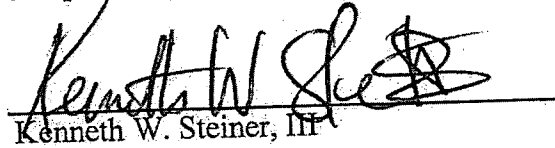
RICHLAND COURT
FILED
SEP -9 PM 1:21
KIMMELLE W. MORRIS
C.C.P. & G.S.

PLEASE TAKE NOTICE, that Petitioner hereby moves for an **Order** granting a Stay to the foreclosure of 2144 Long Trail, Hopkins, South Carolina, until the Probate Court of Richland County issues an **Order** regarding the validity of the transfer of the property by the **General Warranty Deed**, (TMS # 24800-06-46), from the Personal Representative, Tamara L. Steiner, to herself and/or in the alternative, that the Court continue this matter scheduled for September 10, 2015 at 2:00 o'clock p.m. to allow lawful discovery to clarify the issues.

Said **Motion** is based upon the **Laws** of the State of South Carolina and the undisputed fact that the subject Estate property was transferred by a **General Warranty Deed** rather than by **Deed of Distribution**. Said **Motion** is further based upon the fact that Three (3) of the heirs to the Estate of Phillip Chappell, Jr., are minors, and might need individual appointments of a *Guardians Ad Litem*.

[Signature page follows]

Respectfully Submitted:



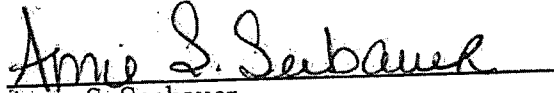
Kenneth W. Steiner, III

811 Eaton Street

Columbia, SC 29205

Phone: (803)467-8722

Pro Se Petitioner.



Amie S. Seebauer

2114 Long Trail

Hopkins, SC 29061

Phone: (803)309-3200

Pro Se Petitioner.

September 9, 2015
Columbia, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Sterling Lending Group, Inc., as agent for
Regent Bank,

Plaintiff,

v.

Tamara L. Steiner, Thomas Williams, Jr.,
Ben Staples, SC Housing Corp, acting
through South Carolina State Housing
Finance and Development Authority's
South Carolina Homeownership and
Employment Lending Program, Terry
Huffstetter and Tin Huffstetter, Joan L.
Miller, Atlantic Credit & Finance, Inc.,
Department of the Treasury – Internal
Revenue Service, State of South Carolina
Department of Revenue and First
Financial Corporation,

Defendants.

IN THE COURT OF COMMON PLEAS

C/A NO: 2013-CP-40-5959

2015 NOV -3 PM 1:38
CLERK OF COURT
C.C.P. & D.C.

**ORDER DENYING MOTION TO VACATE
SALE OR IN THE ALTERNATIVE STAY OF
SALE**

This matter came before me on September 10, 2015 on Kenneth W. Steiner, III, and Arnie S. Seebauer's Motion to Vacate Sale or in the alternative Stay of Sale Until Title is Clear ("Motion"). The Motion was dated June 26, 2015 and filed the same day with the Richland County Clerk of Court. Mr. Steiner and Ms. Seebauer ("Movants") styled their appearance as Petitioners, though they were not parties or intervenors in the instant matter. The Movants appeared at the hearing and were represented by David Eugene Massey, Esq., in a special appearance.

Drew B. Walker, Esq., and M. Alan Peace, Esq., appeared at the hearing for the Plaintiff Sterling Lending Group, Inc., as agent for Regent Bank ("Plaintiff").

Based upon my review of the motion, statutes, case law and oral arguments of counsel, I

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find and conclude that the Motion is denied.

FINDINGS AND CONCLUSIONS OF LAW

This Court entered an Order of Foreclosure and Sale on June 6, 2014 in the instant matter. A Supplemental Order of Foreclosure and Sale was issued by this Court on January 21, 2015. Pursuant to the aforementioned orders, the real property that is the subject of this action commonly known as 2144 Long Trail, Hopkins, SC ("Subject Property") was sold at public auction on February 2, 2015. Plaintiff was the successful bidder of the Subject Property at the public auction.

I executed and delivered a deed of conveyance to the Plaintiff of the Subject Property dated March 9, 2015 and recorded in the Office of the Register of Deeds for Richland County ("ROD") in Book 2011 at Page 1553. Plaintiff holds title to the Subject Property.

Movants's counsel stated they are devisees under the Last Will and Testament of Phillip Chappell, Jr., whose estate ("Estate") was opened in 2000 in the Richland County Probate Court as 2000-ES-40-1277. Movants state a belief in their Motion that an October 27, 2008 conveyance by Warranty Deed of the Subject Property recorded on November 7, 2008 in Book 1474 at Page 3767 in the ROD ("Deed") is voidable pursuant to S.C. Code Ann. 62-3-713 because Tamara L. Steiner, along with Laurie L. Steiner, as Personal Representatives of the Estate, conveyed the Subject Property to Thomas Williams, Jr., and Tamara L. Steiner as joint tenants with a right of survivorship ("Defendant Grantees"), who are Defendants in the instant matter. The Defendants are in default and did not contest the foreclosure or appear at the instant motion hearing.

The consideration for the Deed was \$125,000.00. The Probate Court had previously approved a sales of price of \$125,000.00 to Laurie Steiner in its June 21, 2007 Order. Plaintiff loaned the Grantees the consideration for the conveyance, which was secured by its mortgage as enumerated in the aforementioned foreclosure orders. Plaintiff's counsel argued that the last

sentence of the Reporter's comments in S.C. Code Ann. 62-3-713, by extension, is applicable in this instance to Plaintiff lender/mortgagee. The comment states: "The general principles of law pertaining to a bona fide purchaser for value will protect the title to property in the hands of such a purchaser who obtained it without notice of the conflict of interest or act of self-dealing." Further, Plaintiff's counsel argued that S.C. Code 62-3-910¹ is directly applicable to Plaintiff, in the event that the Deed was ever determined to be voidable under S.C. Code 62-3-713. Movants presented no evidence or testimony as to why Plaintiff's lien could be construed as invalid under S.C. Code 62-3-910 even in the event a court held that the Deed was voidable under S.C. Code 62-3-713.

I find Plaintiff's mortgage that is the subject of this action ("Mortgage") is valid and was properly foreclosed, and that Plaintiff is a bona fide mortgagee or lender for value without notice under general principles of South Carolina law and S.C. Code 62-3-910 (a). Movant's counsel argued that the Deed and Mortgage were invalid because a warranty deed was given instead of a deed of distribution. I find that the Deed, which denotes it was from a personal representative, is one of the types of "instruments" contemplated in S.C. Code 62-3-910 (a), and Movant's argument therefore fails.

Further, the Deed to the Defendant Grantees and the Mortgage given to Plaintiff by them

¹ (A) If property distributed in kind (whether real or personal property) or a mortgage or other security interest therein is acquired for value by a purchaser from or lender to a distributee who has received an instrument or deed of distribution from the personal representative, or is so acquired by a purchaser from or lender to a transferee from such distributee, the purchaser or lender takes title free of rights of any interested person in the estate and incurs no personal liability to the estate, or to any interested persons, whether or not the distribution was proper or supported by court order or the authority of the personal representative was terminated before execution of the instrument or deed. This section protects a purchaser from or lender to a distributee who, as personal representative, has executed a deed of distribution to himself, as well as a purchaser from or lender to any other distributee or his transferee. To be protected under this provision, a purchaser or lender need not inquire whether a personal representative acted properly in making the distribution in kind, even if the personal representative and the distributee are the same person, or whether the authority of the personal representative had terminated before the distribution. Any recorded instrument described in this section on which the appropriate documentary or revenue stamps are affixed is prima facie evidence that the transfer was made for value.

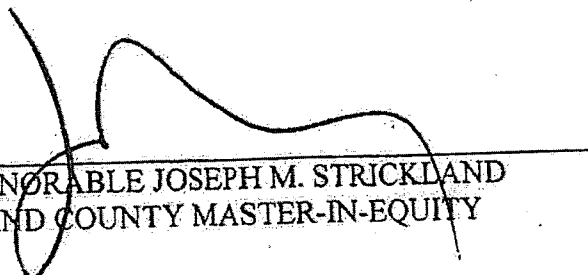
have been recorded since 2008. Movants knew or should have known that any action to void the Deed or invalidate the Mortgage should have been brought within the applicable three year statute of limitations.

Accordingly,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

Plaintiff's Mortgage is valid and was properly foreclosed, and that Plaintiff is a bona fide mortgagee or lender for value without notice under general principles of South Carolina law and S.C. Code 62-3-910 (a). The Deed, which denotes it was from a personal representative, is one of the types of "instruments" contemplated in S.C. Code 62-3-910 (a). Movant's efforts to void the Deed or invalidate the Mortgage are barred by the statute of limitations. Plaintiff's Motion is denied.

AND IT IS SO ORDERED.



THE HONORABLE JOSEPH M. STRICKLAND
RICHLAND COUNTY MASTER-IN-EQUITY

Oct. 29, 2015
Columbia, South Carolina

000008

TYLER, JACKSON, PEACE & SILVER, LLC

ATTORNEYS AND COUNSELORS AT LAW

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THOMAS B. JACKSON, III
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COLUMBIA, SOUTH CAROLINA 29211-1656

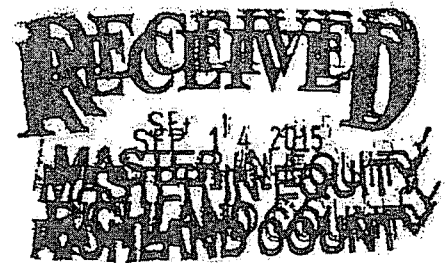
TELEPHONE (803) 779-4997
TELECOPIER (803) 733-2712
TELECOPIER (803) 765-2468

September 11, 2015

VIA HAND DELIVERY

Honorable Joseph M. Strickland
Richland County Master-in-Equity
Richland County Judicial Center
1701 Main Street
Columbia, South Carolina 29202-0192

Re: Sterling Lending Group, Inc., as agent for Regent Bank v.
Tamara L. Steiner, Thomas Williams, Jr., et al.
Civil Action No.: 2013-CP-40-5959
Our File No.: 3029.27507/MAP



Dear Judge Strickland:

Pursuant to your request, please find enclosed Plaintiff's proposed Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale regarding the hearing held yesterday, September 10, 2015, in the above referenced matter. For your convenience, I am also enclosing a disc containing the proposed order in the event any changes to the proposed order are needed.

By copy of this letter, I am also serving special appearance counsel, David E. Massey with a copy of the proposed order via hand delivery.

Thank you for your ongoing courtesy and cooperation in this regard. If you have any questions, please do not hesitate to contact me.

Sincerely,
TYLER, JACKSON, PEACE
& SILVER, LLC


M. Alan Peace

MAP/clb

cc:

VIA HAND DELIVERY

David E. Massey, Esq.
Law Offices of David E. Massey
1620 Gervais Street
Columbia, South Carolina 29202

VIA REGULAR MAIL ONLY

Drew B. Walker, Esq.
Rogers Lewis Jackson Mann & Quinn, LLC
PO Box 11803
Columbia, South Carolina 29211

000009

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

Sterling Lending Group, Inc. as Agent
for Regent Bank,

Plaintiff,

-versus-

Tamara L. Steiner, Thomas Williams, Jr.,
Ben Staples, SC Housing Corp., acting
through South Carolina State Housing
Finance and Development Authority's
South Carolina Homeownership and
Employment Lending Program, Terry
Huffstetter and Tim Huffstetter, Joan L.
Miller, Atlantic Credit & Finance, Inc.,
Department of Treasury – Internal
Revenue Service, State of South Carolina
Department of Revenue and First
Financial Corporation,

Defendants,

-versus-

Kenneth W. Steiner, III,

Petitioner.

MASTER IN EQUITY
IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

**NOTICE OF MOTION AND
MOTION FOR RECONSIDERATION
AND/OR AMENDMENT OF
JUDGMENT (Rule 59, SCRCP)**

RICHLAND COUNTY
FILED
2015 SEP 23 PM 4:55
JEANNETTE W. MCBRIDE
C.C.P. & G.S.

PLEASE TAKE NOTICE, that Petitioner, Kenneth W. Steiner, III, hereby moves for an
Order, pursuant to Rule 59 of the South Carolina Rules of Civil Procedure, granting the
following relief:

1. Redact any finding of fact or conclusion of law regarding the statute of limitations
from Plaintiff's proposed **Order Denying Motion to Vacate Sale or in the Alternative
Stay of Sale** because Petitioner requested a continuance of the September 10, 2015
Hearing to develop the issues by way of discovery and that Petitioner did not know

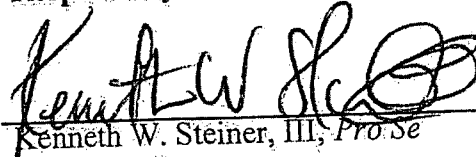
that the 2008 real property transfer was voidable pursuant to S.C. Code §62-3-713 until March of 2015;

2. Redact from Plaintiff's proposed *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* any finding of fact or conclusion of law that S.C. Code §62-3-910 is directly applicable because this finding would essentially nullify S.C. Code §62-3-713; and
3. That the *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* address Petitioner's request for a continuance to develop issues by way of discovery; and
4. That the *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* address Petitioner's argument to apply the doctrine of "*ex mero motu*" because certain heirs of the Estate of Phillip Chappell, Jr., are minors under the age of Eighteen (18) years.

Said *Motion* is based upon the laws and statutes of the State of South Carolina and the undisputed fact that the subject Estate property was transferred by a **General Warranty Deed** rather than by a **Deed of Distribution**, yet the Mortgage was used to foreclose upon the property falsely claimed the property was transferred by a **Deed of Distribution**. Said *Motion* is further based upon the fact that Three (3) of the heirs to the Estate of Phillip Chappell, Jr., are minors, and might need individual appointments of a *Guardians Ad Litem*.

[Signature page follows].

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "Kenneth W. Steiner, III", written over a horizontal line.

Kenneth W. Steiner, III, *Pro Se*

811 Eaton Street

Columbia, SC 29205

Phone: (803)467-8722

*Personal Representative of the Estate of
Phillip Chappell, Jr., deceased.*

September 23, 2015
Columbia, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Sterling Lending Group, Inc. as Agent
for Regent Bank,

Plaintiff,

-versus-

Tamara L. Steiner, Thomas Williams, Jr.,
Ben Staples, SC Housing Corp., acting
through South Carolina State Housing
Finance and Development Authority's
South Carolina Homeownership and
Employment Lending Program, Terry
Huffstetter and Tim Huffstetter, Joan L.
Miller, Atlantic Credit & Finance, Inc.,
Department of Treasury – Internal
Revenue Service, State of South Carolina
Department of Revenue and First
Financial Corporation,

Defendants,

-versus-

Kenneth W. Steiner, III,

Petitioner.

MASTER IN EQUITY

IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

**NOTICE OF MOTION AND MOTION
FOR RECONSIDERATION AND/OR
AMENDMENT OF JUDGMENT**

RICHLAND COUNTY
FILED
2015 NOV 13 PM 4:15
JEANNETTE W. MCBRIDE
C.C.P. & G.S.

PLEASE TAKE NOTICE, that Petitioner, Kenneth W. Steiner, III, hereby moves for an *Order*, pursuant to Rule 59 of the South Carolina Rules of Civil Procedure, granting the following relief:

1. Redact any finding of fact or conclusion of law regarding the statute of limitations from the *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* because Petitioner requested a continuance of the September 10, 2015 *Hearing* to develop the issues by way of discovery and that Petitioner did not know that the 2008

real property transfer was voidable pursuant to S.C. Code §62-3-713 until March of 2015. (See attached *Motion for Continuance* filed September 9, 2015);

2. Redact the portion of the *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* reading, "Movants knew or should have known that any action to void the Deed or invalidate the Mortgage should have been brought within the applicable Three (3) year statute of limitations" because it presumes facts without any foundation to Petitioner and/or other Beneficiaries, other than the named Defendants;
3. Redact from Plaintiff's proposed *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* any finding of fact or conclusion of law that S.C. Code §62-3-910 is directly applicable because this finding would essentially nullify S.C. Code §62-3-713;
4. Redact that portion from the *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* that concludes that S.C. Code §62-3-910 is controlling; specifically,

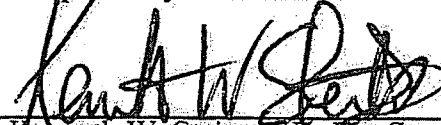
"I find Plaintiff's mortgage that is the subject of this action ("Mortgage") is valid and was properly foreclosed and that Plaintiff is a bona fide mortgagee or lender for value without notice under general principles of South Carolina law and S.C. Code §62-3-910(a). Movant's counsel argued that the Deed and Mortgage were invalid because a warranty deed was given instead of a deed of distribution. I find that the Deed, which denotes it was from a personal representative, is one of the types of "instruments" contemplated in S.C. Code §62-3-910(a), and Movant's argument therefore fails."

Because S.C. Code §62-3-907 precedes S.C. Code §62-3-910 and S.C. Code §62-3-907 requires a "deed of distribution" before the protection provided in S.C. Code §62-3-910 can become applicable. Absent a "deed of distribution," S.C. Code §62-3-910 cannot afford protection. (See attached excerpt from S.C. Code Reporters Comments on S.C. Code §62-3-907, page 180);

5. That the *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* address Petitioner's request for a continuance to develop issues by way of discovery; and
6. That the *Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale* address Petitioner's argument to apply the doctrine of "*ex mero motu*" because certain heirs of the Estate of Phillip Chappell, Jr., are minors under the age of Eighteen (18) years.

Said *Motion* is based upon the laws and statutes of the State of South Carolina and the undisputed fact that the subject Estate property was transferred by a **General Warranty Deed** rather than by a **Deed of Distribution**, yet the Mortgage was used to foreclose upon the property falsely claimed the property was transferred by a **Deed of Distribution**. Said *Motion* is further based upon the fact that Three (3) of the heirs to the Estate of Phillip Chappell, Jr., are minors, and might need individual appointments of a *Guardians Ad Litem*.

Respectfully Submitted:



Kenneth W. Steiner, III, *Pro Se*

811 Eaton Street

Columbia, SC 29205

Phone: (803)467-8722

*Personal Representative of the Estate of
Phillip Chappell, Jr., deceased.*

November 13, 2015
Columbia, South Carolina

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

Kenneth W. Steiner, III, and
Arnie S. Seebauer,
Petitioners,

-versus-

Sterling Lending Group, Inc., as
Agent for Regent Bank,
Respondent.

MASTER IN EQUITY
IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

NOTICE OF MOTION AND
MOTION TO STAY OR IN THE
ALTERNATIVE MOTION FOR
CONTINUATION

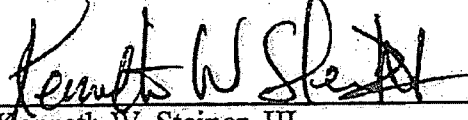
RICHLAND COUNTY
CLERK OF COURT
SEP -9 PM 1:21
C.C.P. & G.S.

PLEASE TAKE NOTICE, that Petitioner hereby moves for an *Order* granting a Stay to the foreclosure of 2144 Long Trail, Hopkins, South Carolina, until the Probate Court of Richland County issues an *Order* regarding the validity of the transfer of the property by the General Warranty Deed, (TMS # 24800-06-46), from the Personal Representative, Tamara L. Steiner, to herself and/or in the alternative, that the Court continue this matter scheduled for September 10, 2015 at 2:00 o'clock p.m. to allow lawful discovery to clarify the issues.

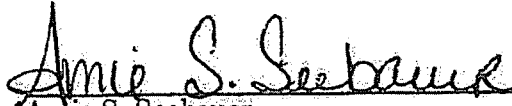
Said *Motion* is based upon the *Laws* of the State of South Carolina and the undisputed fact that the subject Estate property was transferred by a General Warranty Deed rather than by Deed of Distribution. Said *Motion* is further based upon the fact that Three (3) of the heirs to the Estate of Phillip Chappell, Jr., are minors, and might need individual appointments of a *Guardians Ad Litem*.

[Signature page follows]

Respectfully Submitted:



Kenneth W. Steiner, III
811 Eaton Street
Columbia, SC 29205
Phone: (803)467-8722
Pro Se Petitioner.



Amie S. Seebauer
2114 Long Trail
Hopkins, SC 29061
Phone: (803)309-3200
Pro Se Petitioner.

September 9, 2015
Columbia, South Carolina

Section 623906(a) sets out the rights of the three classes of successors specific devisees (623906(a)(1)), general pecuniary devisees (623906(a)(2)), and residuary devisees (623906(a)(3)). As to specific devisees, Section 623906(a)(1) provides that the specific devisee is entitled to the thing devised to him.

Section 623906(a)(2) authorizes the personal representative to make 'in kind' distributions to satisfy devises payable in money (general pecuniary devises) provided (1) the devisee has not demanded payment in cash, (2) the property is fairly valued as of the date of distribution under Section 623906(a)(3) and, (3) a residuary devisee has not requested that the asset remain part of the residue estate.

Residuary devisees are to receive 'in kind' distribution provided (1) there is no objection to the proposed distribution and (2) it is practicable to distribute undivided interests.

Section 623906(b) provides that the personal representative may submit a proposal for distribution to all parties in interest. This section effectively eliminates the interested party's right to object to the distribution if he fails to object to the plan in writing within thirty days from receipt of the proposal.

The 2013 amendment added to 623906(b) the requirement of notice of deadline to object to proposed distribution.

Section 623907. (A) If distribution in kind is made, ~~whether real or personal property~~, the personal representative must execute an instrument or a deed of distribution with respect to real property and such other necessary or appropriate instrument of conveyance with respect to personal property, assigning, transferring, or releasing the assets to the distributee as evidence of the distributee's title to the property.

(B) If the decedent dies intestate or devises real property to a distributee, the personal representative's execution of a deed of distribution of real property constitutes a release of the personal representative's power over the title to the real property, which power is equivalent to that of an absolute owner, in trust, however, for the benefit of the creditors and others interested in the estate, provided by Section 623711(a). The deed of distribution affords the distributee and his purchasers or encumbrancers the protection provided in Sections 623908 and 623910.

(C) If the decedent devises real property to a personal representative, either in a specific or residuary devise, the personal representative's execution of a deed of distribution of the real property constitutes a transfer of the title to the real property from the personal representative to the distributee, as well as a release of the personal representative's power over the title to the real property, which power is equivalent to that of an absolute owner,

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Kenneth W. Steiner, III, and
Amie S. Seebauer,

Petitioners,

-versus-

Sterling Lending Group, Inc., as
Agent for Regent Bank,

Respondent.

MASTER IN EQUITY
IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

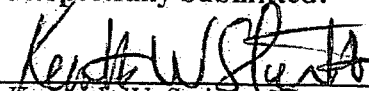
NOTICE OF MOTION AND
MOTION TO INTERVENE AND
VACATE FORECLOSURE
(Rule 24 and 60, SCRCP)

2015 DEC -3 PM 4:54
JEANETTE W. MCBRIDE
C.C.P. & G.S.
RICHLAND COUNTY
FILED

PLEASE TAKE NOTICE, that Petitioner hereby moves for an *Order* pursuant to Rule 24 of the South Carolina Rules of Civil Procedure, (SCRCP), granting Petitioner the right to intervene on behalf of the Heirs of the Estate of Phillip Chappell, Jr., and pursuant to Rule 60 (SCRCP) granting Petitioner an *Order* vacating the foreclosure of the subject real estate at 2144 Long Trail, Hopkins, South Carolina, because the *Petition for Foreclosure* falsely misrepresented to the Master in Equity that the "mortgage" was based upon title pursuant to a "deed of distribution" when, in fact, the "mortgage" was based upon a "general warranty deed," (TMS # 24800-06-46), in violation of South Carolina Probate Law. (See attached Exhibit #1, *Exhibit A of Mortgage*).

Said *Motion* is further based upon the Laws of the State of South Carolina.

Respectfully Submitted:



Kenneth W. Steiner, III

811 Eaton Street

Columbia, SC 29205

Phone: (803)467-8722

Pro Se Petitioner.

November 24, 2015
Columbia, South Carolina

Exhibit A

All that certain piece, parcel or lot of land, together with the improvements thereon, if any, situate, lying and being in the County of Richland, State of South Carolina, being shown and delineated as a Lot containing Three (3) Acre(s), on a plat prepared for Kenneth W. Steltier, III, Personal Representative for the Estate of Phillip C. Chappell, Jr., by Darryl W. Cobb, RLS #16808, dated August 23, 2002, and recorded on April 5, 2008 in the Office of the ROD for Richland County in Book R1418 at page 1993. Reference being made to said latter plat which is incorporated herein by reference for a more complete and accurate description; all measurements being a little more or less.

This conveyance is made subject to any and all existing reservations, easements, right-of-way, zoning ordinances, and restrictive or protective covenants that may appear of record or on the premises and otherwise affecting the property.

TMS No. 24800-06-46 (Real Property.)

Derivation: This being the same property first conveyed to Phillip C. Chappell, Jr. by deed from W.M. Webb, dated October 16, 1951, and recorded October 25, 1951, in Book 81, at Page 425, in the ROD Office for Richland County, South Carolina Records. Thereafter conveyed to Thomas Williams, Jr. and Tamara L. Steiner, as joint tenants with right of survivorship, by Deed of Distribution from the Estate of Phillip C. Chappell, Jr. to be recorded herewith.

PROPERTY ADDRESS:
2144 Long Trail
Hopkins, South Carolina 29061

JW
DS

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Kenneth W. Steiner, III and Amie S.
Seebauer, and Kenneth W. Steiner,
III, as Guardian Ad Litem of Clifton
B. Steiner, a Minor

Petitioners,

-versus-

Sterling Lending Group, Inc., as
Agent for Regent Bank,

Respondent.

MASTER IN EQUITY

IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

**NOTICE OF MOTION AND
MOTION TO INTERVENE AND
VACATE FORECLOSURE
(Rule 24 and 60, SCRPC)**

RICHLAND COUNTY
FILED
2016 FEB -2 PM 5:00
KIMBERLY W. MCBRIDE
C.C.P. & G.S.

Without waiving Petitioners' **Rule 59 Motion to Reconsider**,

PLEASE TAKE NOTICE, that Petitioners hereby move for an **Order** pursuant to **Rule 24** of the South Carolina Rules of Civil Procedure, (**SCRPC**), granting Petitioners the right to intervene on behalf of the Heirs of the estate of Phillip C. Chappell, Jr., because the Heirs of the Estate of Phillip C. Chappell, Jr., have an interest in the foreclosed property based upon (1) the October 2008 transfer of the real property was not specifically authorized by the Last Will and Testament of Phillip C. Chappell, Jr., (2) the 2008 transfer of the foreclosed property violated **S.C. Code §62-3-713**, (3) the foreclosed property has converted equity in the Estate of Phillip C. Chappell, Jr., and (4) the Heirs of the Estate of Phillip C. Chappell, Jr. did not receive *Notice of the Foreclosure Action*.

Petitioners further move pursuant to **Rule 60 (SCRPC)** granting Petitioners an Order vacating the foreclosure of the subject real estate at 2144 Long Trail, Hopkins, South Carolina because:

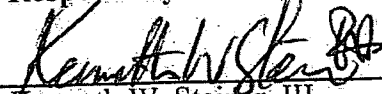
1. The *Complaint for Foreclosure* falsely claimed that the alleged mortgage was a "purchase money mortgage" when in fact it was actually a "refinance mortgage;"

2. The title to real estate prepared by Gary Rish, Esquire, for the Master in Equity misrepresents that the 2008 transfer from the Estate of Phillip Chappell, Jr., to Tamara L. Steiner and Thomas Williams, Jr., was authorized by the Last Will and Testament of Phillip Chappell, Jr.;
3. That Sterling Lending Group, Inc., is actually a "*Mortgage Broker*" and not a "*Mortgage Bank*,"
4. That Sterling Lending Group, Inc., by and through its Chief Officer, Phil Shannon, knew or should have known that the 2008 transfer of the foreclosed property was improper as he was present at the closing;
5. That the alleged adjustable rate loan and alleged adjustable rate mortgage brokered by Gulfstream, Inc., and Sterling Lending Group, Inc., violated **South Carolina's Anti-Predatory Lending Act**. (S.C. Code §37-23-10, et seq.);
6. That Sterling Lending Group, Inc., is a wholly owned subsidiary of Regent Bank, Inc., with employees shared by both entities; and
7. That Sterling Lending Group, Inc., as Agent of Regent Bank, Inc., should be estopped from any defense because it knew or should have known that the 2008 transfer of the foreclosed property violated **South Carolina Law** and that the refinance loan to Thomas Williams, Jr., and Tamara L. Steiner was a predatory loan which the Borrowers would never be able to satisfy.

Said *Motion* is further based upon the *Laws* of the State of South Carolina and that it would be unjust to allow the judgment to stand when it was based upon misrepresentations to the Master in Equity and alleged fraud in the initial transfer and encumbrance of the property by Sterling Lending Group, Inc.

In the alternative, Petitioners move to have this *Action* transferred back to the Court of Common Pleas so various legal causes of action can be tried by a Jury.

Respectfully Submitted:



Kenneth W. Steiner, III
811 Eaton Street
Columbia, SC 29205
Phone: (803)467-8722
Pro Se Petitioner.

February 2, 2016
Columbia, South Carolina

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

Sterling Lending Group, Inc., as
Agent for Regent Bank,
Plaintiff,

-versus-

Tamara L. Steiner, Thomas Williams, Jr.,
Ben Staples, SC Housing Corp., acting through
South Carolina State Housing Finance and
Development Authority's South Carolina
Homeownership and Employment Lending
Program, Terry Huffstetter and Tim Huffstetter,
Joan L. Miller, Atlantic Credit & Finance, Inc.,
Department of Treasury – Internal Revenue
Service, State of South Carolina
Department of Revenue and
First Financial Corporation,
Defendants,

-versus-

Kenneth W. Steiner, III, Amie S. Seebauer,
and Kenneth W. Steiner, III, as
Guardian Ad Litem of Clifton B.
Steiner, a Minor,
Petitioners.

MASTER IN EQUITY
IN THE FIFTH JUDICIAL CIRCUIT

Case No.: 2013-CP-40-05959

RICHLAND COUNTY
FILED
2016 FEB 23 PM 1:34
JEANETTE W. MCGRIDE
C.C.P. & S.S.

**PETITIONERS' BRIEF IN
SUPPORT OF RULE 59 MOTION
FOR RECONSIDERATION**

STATEMENT OF CASE

This matter was initially a foreclosure action instituted by Plaintiff, Sterling Lending Group, Inc., as Agent for Regent Bank (hereinafter "*Sterling Lending*"), against Defendants, Tamara L. Steiner (hereinafter "*T. Steiner*"), Thomas Williams, Jr., (hereinafter "*T. Williams, Jr.*"), et al. Defendants (*T. Steiner*) and (*T. Williams, Jr.*) defaulted. On June 6, 2014, an

Order of Foreclosure and Sale was filed with the Clerk of Court for Richland County, South Carolina.

Petitioners, Kenneth W. Steiner, III, (hereinafter "**K. Steiner, III**") and Amie S. Seebauer (hereinafter "**A. Seebauer**"), Individually, on behalf of the Estate of Phillip Chappell, Jr., and as Fiduciary of Clifton Steiner, a minor under the age of eighteen (18) years, filed a *Petition to Vacate the Foreclosure and Sale Order* on the following grounds:

1. The transfer of the foreclosed property at 2144 Long Trail, Hopkins, South Carolina, to Defendants (**T. Steiner**) and (**T. Williams, Jr.**) was voidable pursuant to S.C. Code §62-3-713. (The transfer of estate property to a personal representative of an estate is voidable unless the decedent's will expressly authorized the transaction, the transfer was approved by the Probate Court, or the transfer was expressly consented to by the heirs);
2. The Last Will and Testament of Phillip Chappell, Jr., did not expressly authorize the sale of estate property to the personal representative;
3. Because a minor is involved, the Master in Equity should reopen the foreclosure "*ex mero motu*" to protect the interest of the minor; and
4. Allow Petitioners to conduct discovery prior to ruling on their *Petition to Vacate*.

The Plaintiff (**Sterling Lending**) asserts (1) adequate consideration of One Hundred and Twenty-Five Thousand Dollars (\$125,000.00) was allocated for the encumbrance, (2) the general principals of law pertaining to a bona fide purchaser for value will protect the title to property in the hands of such purchaser who obtained it without notice of the conflict of interest or act of self-dealing, (3) S.C. Code §62-3-910(A) protects Plaintiff (**Sterling Lending**) from a voidable sale; and (4) Petitioners' action is barred by a three (3) year statute of limitations.

On November 3, 2015, an *Order* was issued denying Petitioners' *Motion to Vacate the Order of Foreclosure and Sale*. Petitioners then filed a *Rule 59 Notice of Motion and Motion for Reconsideration* because the November 3, 2015 *Order* (1) did not address Petitioners'

request for a continuance to conduct discovery on the statute of limitation issues, (2) the Court's *Order* interpreting S.C. Code §62-3-713 essentially voids S.C. Code §62-3-713, (3) Petitioners requested a continuance to conduct discovery regarding the conflict of interest in the October 2008 real property transfer, and (4) Petitioners requested that the Court apply "*ex mero motu*" to protect the minor heir of the Estate of Phillip Chappell, Jr., and vacate the *Order of Foreclosure and Sale*.

Petitioners have also filed a *Rule 60 Notice of Motion and Motion to Intervene and Vacate Foreclosure* based upon (1) newly discovered evidence and (2) fraud, misrepresentation, or other misconduct of an adverse Party.

STATEMENT OF FACTS

In 2000, Phillip Chappell, Jr., died and devised his property pursuant to a valid Last Will and Testament. The Last Will and Testament of Phillip Chappell, Jr., devised his property at 2144 Long Trail, Hopkins, South Carolina (hereinafter "*Subject Property*"), to Petitioner (K. Steiner, III), Petitioner (A. Seebauer), Defendant (T. Steiner), Laurie L. Steiner, Kenneth W. Steiner, Jr., and Clifton B. Steiner. [Clifton Steiner was two (2) years old at the time of his Great Grandfather, Phillip Chappell, Jr.'s, death].

In 2008, Defendants (T. Steiner) and (T. Williams, Jr.) were residing at the (Subject Property). Defendants (T. Steiner) and (T. Williams, Jr.) are not married. Defendant (T. Williams, Jr.) approached a Mortgage Broker, Gulfstream Financial Services, Inc. (hereinafter "*Gulfstream Financial*"), to obtain a cash-out loan to purchase the (Subject Property) from the Estate of Phillip Chappell, Jr. Defendant (T. Williams, Jr.'s) loan application falsely reported that the loan was (1) a refinance, (2) that Defendant (T. Williams, Jr.) inherited the (Subject

Property), and (3) that Defendants (T. Steiner) and (T. Williams, Jr.) were married. [See attached Exhibit #1, Defendant (T. Williams, Jr.'s) *Loan Application*]. Defendant (T. Steiner) did not complete a loan application. Defendant (T. Williams, Jr.'s) credit scores were reported as "567 - 551 - 436." [See attached Exhibit #2, Defendant (T. Williams, Jr.'s) *Credit Score Notification*]. (Gulfstream Financial) then contacted Plaintiff (Sterling Lending), another Mortgage Broker, wholly owned by Regent Bank. (See attached Exhibit #3, *Holding Company Chart*). Plaintiff (Sterling Lending) also required Defendant (T. Williams, Jr.) to complete a loan application. Defendant (T. Steiner) did not complete a loan application.

On October 27, 2008, Defendant (T. Steiner) and Laurie Steiner, as Personal Representatives of the Estate of Phillip Chappell, Jr., sold the (Subject Property) to Defendants (T. Steiner) and (T. Williams, Jr.). The October 27, 2008 "*Warranty Deed*" conveying the (Subject Property) stated the transaction was authorized by the Last Will and Testament of Phillip Chappell, Jr. Phillip Chappell, Jr.'s, Last Will and Testament did not expressly authorize a Personal Representative to sell estate property to themselves. (See attached Exhibit #4, the *Last Will and Testament of Phillip Chappell, Jr.*). "*Exhibit A*" to the October 27, 2008 "*Warranty Deed*" conveying the (Subject Property) expressly states that a "*Deed of Distribution*" from the Estate of Phillip Chappell, Jr., would be filed. However, a "*Deed of Distribution*" was never issued or filed.

The President of Plaintiff (Sterling Lending), Phillip Shannon, was actually present at the time the "*Warranty Deed*" and mortgage were executed by Defendant (T. Williams, Jr.) and at the closing of the (Subject Property). Phillip Shannon witnessed signatures and help execute the Probate. (See attached Exhibit #5, the October 27, 2008 "*Warranty Deed*").

Sometime prior to the October 27, 2008 transfer of the **(Subject Property)**, Plaintiff **(Sterling Lending)** agreed to lend Defendant **(T. Williams, Jr.)** a personal cash-out adjustable rate loan on the same day that Plaintiff **(Sterling Lending)** had Defendants **(T. Williams, Jr.)** and **(T. Steiner)** execute an adjustable rate mortgage on the **(Subject Property)** to secure the personal cash-out loan to Defendant **(T. Williams, Jr.)** from Plaintiff **(Sterling Lending)**. The conveyance of the **(Subject Property)** and execution of the mortgage was witnessed by Plaintiff **(Sterling Lending's)** President, Phillip Shannon.

ARGUMENT

In October 2008, the **(Subject Property)** had been appraised in excess of Three Hundred Thousand Dollars **(\$300,000.00)**. Defendant **(T. Williams, Jr.'s)** loan application suggests an annual income of approximately Thirty-One Thousand Dollars **(\$31,000.00)**. Defendant **(T. Williams, Jr.)** had outstanding civil-judgments and his credit score was very poor. [See attached Exhibit #6, Financial Data of Defendant **(T. Williams, Jr.)**].

Petitioners assert that Plaintiff **(Sterling Lending)** by and through its President, Phillip Shannon, had actual notice that the **(Subject Property)** was not done by a "*Deed of Distribution*" and that Defendant **(T. Williams, Jr.)** would not be able to satisfy the terms of the personal cash-out loan and simultaneous mortgage. Due to the substantial equity in the **(Subject Property)**, Plaintiff **(Sterling Lending)** knew or should have known that Defendant **(T. Williams, Jr.'s)** foreseeable default would not cause Plaintiff **(Sterling Lending)** to lose any money. Petitioners also assert that Plaintiff **(Sterling Lending)** and Regent Bank violated the *South Carolina High-Cost and Consumer Home Loans Act*. (S.C. Code §37-23-40).

The November 3, 2015 proposed **Order** submitted by Plaintiff (**Sterling Lending**) to the Master in Equity specifically included the following principal of law,

"The general principal of law pertaining to a bona fide purchaser for value will protect the title to property in the hands of such a purchaser who obtained it without notice of the conflict of interest or act of self-dealing." [See attached Exhibit #7, page three (3) of Plaintiff (Sterling Lending's) November 3, 2015 proposed Order Denying Motion to Vacate].

Based upon newly discovered evidence, Petitioners now know that the President of Plaintiff (**Sterling Lending**), Phillip Shannon, was actually present at the closing and execution of his company's mortgage. Plaintiff (**Sterling Lending's**) mortgage specifically described the (**Subject Property**) as property conveyed to Defendants (**T. Steiner**) and (**T. Williams, Jr.**) by a "Deed of Distribution" from the Estate of Phillip Chappell, Jr. A "Deed of Distribution" has never been executed or filed. Plaintiff (**Sterling Lending's**) President, Phillip Shannon, personally witnessed Defendants (**T. Steiner**) and (**T. Williams, Jr.'s**) signatures on the mortgage. [See attached Exhibit #8, Mortgage on the (**Subject Property**)]. Plaintiff (**Sterling Lending**) encumbered the (**Subject Property**) with notice of the conflict of interest and lack of "Deed of Distribution."

INTRINSIC FRAUD

Paragraph 5 of Plaintiff (**Sterling Lending's**) **Complaint for Foreclosure** states that the October 27, 2008 transfer of the (**Subject Property**) was authorized by the Last Will and Testament of Phillip Chappell, Jr. Pursuant to S.C. Code §62-3-713, a transfer of estate property from a Personal Representative of an Estate to themselves must be expressly authorized by the Last Will and Testament. Phillip Chappell, Jr.'s Last Will and Testament did not expressly authorize the transfer of real property to a Personal Representative and it is therefore voidable.

Paragraph 8 of Plaintiff (**Sterling Lending's**) **Complaint for Foreclosure** also misrepresents to the Court that the encumbrance was a "*purchase money mortgage*" when in reality it was a personal cash-out loan characterized as a refinance mortgage. This was a misrepresentation to the Court.

A Party may seek to set aside a final judgment for fraud upon the Court. This right is independent of the **Rule 60(b)(3)** ground for relief for fraud, misrepresentation, or other misconduct by an adverse Party. Relief for fraud upon the Court is not subject to the one-year limit placed on relief under **Rule 60(b)(3)**. [*Chewning v. Ford Motor Company*, 354 S.C. 72, 79 S.E.2d 605 (2003)].

The Estate of Phillip Chappell, Jr., by way of his individual beneficiaries, have lost equity in the (**Subject Property**) based upon Plaintiff (**Sterling Lending's**) notice of the conflict of interest at the October 27, 2008 closing. The Estate of Phillip Chappell, Jr., has also suffered damages and lost equity as a result of the initial personal cash-out loan scheme Plaintiff (**Sterling Lending**) put in place to loan money to Defendant (**T. Williams, Jr.**), who clearly could not meet the terms of the personal cash-out loan nor the adjustable rate mortgage created by Plaintiff (**Sterling Lending**).

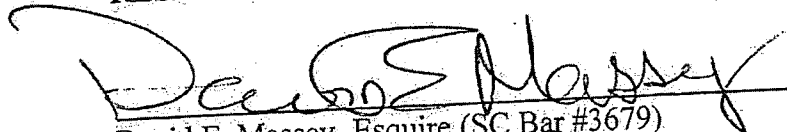
Petitioners assert that Plaintiff (**Sterling Lending**) has "*unclean hands*" and that they are entitled to have the **Order of Foreclosure** vacated pursuant to **Rule 60(b)(3)** and/or upon the "*intrinsic fraud*" conveyed by Plaintiff (**Sterling Lending**) to the Master in Equity.

CONCLUSION

Based upon the newly discovered evidence indicating violations of the South Carolina Consumer Home Loan Laws and Plaintiff (**Sterling Lending's**) actual notice of the conflict of

interest created by the sale of the (Subject Property) from the Personal Representative to herself, Petitioners' *Motion to Intervene and Vacate Foreclosure* should be granted and this *Action* should be transferred back to the Court of Common Pleas so that the Parties can assert legal actions such as "civil conspiracy" and violations of the *South Carolina High-Cost and Consumer Home Loans Act*.

RESPECTFULLY SUBMITTED:



David E. Massey, Esquire (SC Bar #3679)

Summer C. Tompkins, Esquire (SC Bar #76078)

PO Box 7014

Columbia, SC 29202

Telephone: (803)799-9022

Facsimile: (803)256-4824

Attorneys for Petitioners.

February 23, 2016
Columbia, South Carolina

Exhibit 1

Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when ☐ the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or ☐ the income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower		Co-Borrower	
Mortgage Applied for: ☐ VA ☒ Conventional ☐ Other (explain): ☐ FHA ☐ USDA/Rural Housing Service		Agency Case Number	Lender Case Number
Amount \$ 200,000	Interest Rate 9.490 %	No. of Months 300/180	Amortization Type: ☐ Fixed Rate ☐ Other (explain): ☐ GPM ☒ ARM (type): 1 year arm
Subject Property Address (street, city, state, & ZIP) 2144 LONG TRAIL, Hopkins, SC 29061 County: Richland			No. of Units 1
Legal Description of Subject Property (attach description if necessary)			Year Built 1954

Purpose of Loan ☐ Purchase ☐ Construction ☐ Other (explain): ☒ Refinance ☐ Construction-Permanent		Property will be: ☒ Primary Residence ☐ Secondary Residence ☐ Investment	
Complete this line if construction or construction-permanent loan.			
Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot (b) Cost of Improvements Total (a+b)
	\$	\$	\$
Complete this line if this is a refinance loan.			
Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance: ☒ Cash-Out ☐ Other Describe Improvements ☒ made ☐ to be made new; elec, plumb, roof, air, flooring, paint, carp Cost \$110,000
2008	\$ INHERITED	\$ 0	
Title will be held in what Name(s) THOMAS WILLIAMS, JR.		Manner in which Title will be held	Estate will be held in: ☒ Fee Simple ☐ Leasehold (show expiration date)
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)			

Borrower's Name (include Jr. or Sr. if applicable) THOMAS WILLIAMS, JR.		Co-Borrower's Name (include Jr. or Sr. if applicable)	
Social Security Number 248-02-0598	Home Phone (incl. area code) 603-783-5885	DOB (mm/dd/yyyy) 12/30/1963	Yrs. School
☒ Married ☐ Unmarried (include single, divorced, widowed) ☐ Separated		☐ Married ☐ Unmarried (include single, divorced, widowed) ☐ Separated	
Dependents (not listed by Co-Borrower) no. 0 ages		Dependents (not listed by Borrower) no. ages	
Present Address (street, city, state, ZIP) 2144 LONG TRAIL Hopkins, SC 29061		Present Address (street, city, state, ZIP) ☒ Own ☐ Rent 3mo No. Yrs.	
Mailing Address, if different from Present Address		Mailing Address, if different from Present Address	

If residing at present address for less than two years, complete the following:			
Former Address (street, city, state, ZIP)		Former Address (street, city, state, ZIP)	
☐ Own ☒ Rent 9 No. Yrs. 2116 Long Trail (rent-free) Hopkins (great grandmother's house), SC 29061		☐ Own ☐ Rent No. Yrs.	
Former Address (street, city, state, ZIP)		Former Address (street, city, state, ZIP)	
☐ Own ☐ Rent No. Yrs.		☐ Own ☐ Rent No. Yrs.	

000032

Exhibit

2

000033

NOTICE TO THE HOME LOAN APPLICANT CREDIT SCORE INFORMATION DISCLOSURE

APPLICANT(S) NAME AND ADDRESS THOMAS WILLIAMS, JR 2144 LONG TRAIL Hopkins SC, 29051	LENDER NAME AND ADDRESS (ORIGINATOR): Gulfstream Financial Services 3101 Carlisle St. Suite 204 Columbia, SC 29205 (P) 803-771-0080, (F) 803-771-0067
--	--

In connection with your application for a home loan, the lender must disclose to you the score that a consumer reporting agency distributed to users and the lender used in connection with your home loan, and the key factors affecting your credit scores.

The credit score is a computer-generated summary calculated at the time of the request and based on information a consumer reporting agency or lender has on file. The scores are based on data about your credit history and payment patterns. Credit scores are important because they are used to assist the lender in determining whether you will obtain a loan. They may also be used to determine what interest rate you may be offered on the mortgage. Credit scores can change over time, depending on your conduct, how your credit history and payment patterns change, and how credit-scoring technologies change.

Because the score is based on information in your credit history, it is very important that you review the credit related information that is being furnished to make sure it is accurate. Credit records may vary from one company to another.

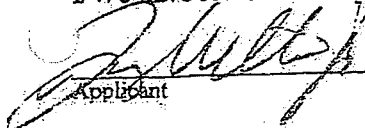
If you have questions about your credit score or the credit information that is furnished to you, contact the consumer reporting agency at the address and telephone number provided with this notice, or contact the lender, if the lender developed or generated the credit score. The consumer reporting agency plays no part in the decision to take any action on the loan application and is unable to provide you with specific reasons for the decision on a loan application.

If you have questions concerning the terms of the loan, contact the lender

The consumer reporting agencies listed below provided a credit score that was used in connection with your home loan application.

Consumer Reporting Agency #1 Experian P.O. Box 2002 Allen, TX 75013 (P) 888-397-3742 Model Used: ExperianFair Isaac Range of Possible Scores 300 to 850	Borrower THOMAS WILLIAMS, JR Score: 567 Created: 08/12/2008	Factors: 38 SERIOUS DELINQUENCY AND PUBLIC RECORD OR COLLECTION FILED 18 NUMBER OF ACCOUNTS WITH DELINQUENCY 20 TIME SINCE DEROGATORY PUBLIC RECORD OR COLLECTION IS TOO SHORT 13 TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN
	Co-Borrower Score: _____ Created: _____	Factors:
Consumer Reporting Agency #2 TransUnion P.O. Box 1000 Chester, PA 19022 (P) 800-888-4213 Model Used: TransUnionEmpirica Range of Possible Scores 336 to 843	Borrower THOMAS WILLIAMS, JR Score: 551 Created: 08/12/2008	Factors: 038 SERIOUS DELINQUENCY, AND PUBLIC RECORD OR COLLECTION FILED 013 TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN 018 NUMBER OF ACCOUNTS WITH DELINQUENCY 026 LENGTH OF TIME SINCE DEROGATORY PUBLIC RECORD OR COLLECTION IS TOO SHORT
	Co-Borrower Score: _____ Created: _____	Factors:
Consumer Reporting Agency #3 Equifax P.O. Box 740241 Atlanta, GA 30374 (P) 800-685-1111 Model Used: EquifaxBeacon Range of Possible Scores 363 to 850	Borrower THOMAS WILLIAMS, JR Score: 436 Created: 08/12/2008	Factors: 36 SERIOUS DELINQUENCY, AND DEROGATORY PUBLIC RECORD OR COLLECTION FILED 18 NUMBER OF ACCOUNTS WITH DELINQUENCY 13 TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN 10 PROPORTION OF BALANCES TO CREDIT LIMITS IS TOO HIGH ON BANK REVOLVING OR OTHER REVOLVING ACCOUNTS
	Co-Borrower Score: _____ Created: _____	Factors:

I/We have received a copy of this disclosure.

 8/27/08
Applicant Date

Applicant

Date

Calyx Form - csid.fm (09/04)

000034

14

Loan Number: 080829

Date: OCTOBER 27, 2008

Lender: STERLING LENDING GROUP, INC.

Borrower: THOMAS WILLIAMS, JR

Property Address: 2144 LONG TRAIL, HOPKINS, SOUTH CAROLINA 29061

CREDIT SCORING INFORMATION

The following consumer reporting agency(ies) provided a credit score that was used by the Lender:

☒ **Equifax Credit Information Services**

P.O. Box 740241
Atlanta, GA 30374
To order report: 1-800-685-1111
To report fraud: 1-800-525-6285
Web Site: www.equifax.com

Current/Most Recent Credit Score: 436 Credit Score Date: 02/20/2008 Credit Score Range: 300-850

Key Factors Adversely Affecting Your Credit Score:

SERIOUS DELINQUENCY, AND DEROGATORY PUBLIC RECORD OR COLLECTION FILED
NUMBER OF ACCOUNTS WITH DELINQUENCY
TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN
PROPORTION OF BALANCES TO CREDIT LIMITS IS TOO HIGH ON BANK REVOLVING OR OTHER
REVOLVING ACCOUNTS

☐ **TransUnion Consumer Disclosure Center**

P.O. Box 1000
Chester, PA 19022
To order report: 1-800-888-4213
To report fraud: 1-800-916-8800
Web Site: www.transunion.com

Current/Most Recent Credit Score: Credit Score Date: Credit Score Range:

Key Factors Adversely Affecting Your Credit Score:

☐ **Experian National Consumer Assistance Center**

P.O. Box 2002
Allen, TX 75013
To order report: 1-888-397-3742
To report fraud: 1-888-397-3742
Web Site: www.experian.com

Current/Most Recent Credit Score: Credit Score Date: Credit Score Range:

Key Factors Adversely Affecting Your Credit Score:

☐

Current/Most Recent Credit Score: Credit Score Date: Credit Score Range:

Key Factors Adversely Affecting Your Credit Score:

Borrower Initials: *TCW*

CONSUMER CREDIT SCORE DISCLOSURE (Rev. 11/04)
FCRA § 609(f) and (g)

Page 2

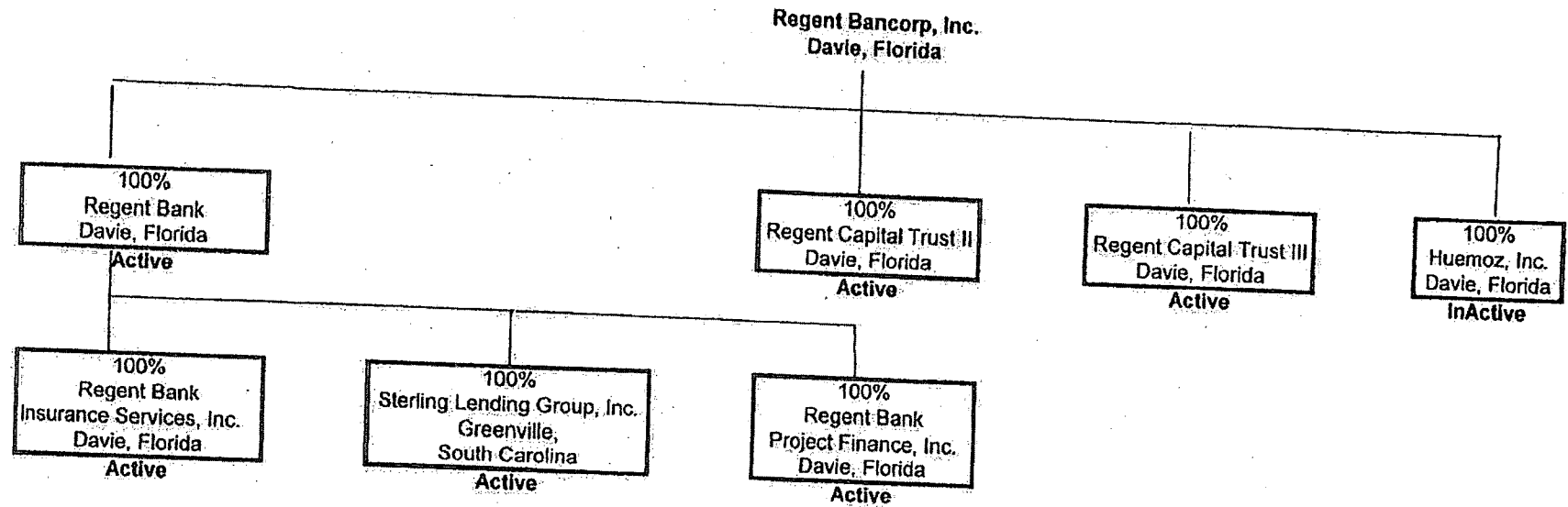
DocuMagie eForms 550-549-1362
www.documagic.com

000035

Exhibit 3

Revised

Form FR Y-6
Regent Bancorp, Inc.
Davie, Florida
Fiscal Year Ending December 31, 2012



All organizations with the exception of Sterling Lending Group, Inc. are incorporated in the State of FLORIDA

Sterling Lending Group, Inc is incorporated in the State of South Carolina.

Regent Bank Project Finance, Inc., only holds REO properties for Regent Bank.

000037

Regent Bancorp, Inc., Davie, Florida

Exhibit

4

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

WILL

I, **Philip C. Chappell, Jr.**, a citizen and resident of Richland County, South Carolina, being of sound and disposing mind and memory, and desiring to make disposition of my worldly affairs, do hereby make, declare and publish this to be my Last Will, hereby revoking any and all instruments of a testamentary nature whatsoever heretofore made by me.

Item 1. I will and direct that all of my funeral expenses and all of my just debts then due be paid as soon as practicable after my death.

Item 2. I give and bequeath to my stepson, Kenneth Wilbur Steiner, Jr., if he survives me, all of my personal and household effects of every kind including but not limited to furniture, appliances, furnishings, pictures, silverware, china, glass, guns, books, jewelry, wearing apparel, boats, automobiles and other vehicles together with all policies of fire, burglary, property damage and other insurance on or in connection with the use of this property. Should my said stepson predecease me, then I give and bequeath all of said property to such of my grandchildren, Kenneth Wilbur Steiner, III, Laurie Steiner, Tammie Steiner and Amy Seabaur, as survive me.

Item 3. I give and devise to my friend, Thomas Chappell Boozer, fifty (50) acres of my River Swamp Tract (the general boundaries of said fifty acres being generally shown on the sketch attached hereto as Exhibit A). I may attend to this gift during my lifetime and if I do so, then of course, no property will pass under this item of my will.

Item 4. I give, devise and bequeath a life estate in and to my River Swamp Tract of approximately 300 acres to Kenneth Wilbur Steiner, Jr. Said life tenant shall have the right to hunt, fish and exercise any other recreational rights on said River Swamp Tract during his lifetime so long as all conditions set forth below are complied with, to-wit:

1. Said life tenant shall keep the real estate taxes paid on said property. Failure to do so shall result in the termination of this life estate and the remaindermen shall be entitled to immediate possession of the property.

PC CJ #1
W
Lgn

2. Said life tenant shall exercise good husbandry/forestry practices and should he ever determine that any timber on said tract should be harvested then said harvesting shall be limited as follows:

a. No more than twenty-five (25%) percent of the timber on the tract shall be cut during any ten years' period;

b. Said cutting shall occur only once every ten years; no cutting or other timber operations shall take place between August 15th and December 31st; and any such timber operation(s) shall be completed in an expeditious manner.

c. No clear cutting shall be permitted.

3. The net sales proceeds on said Timber Sale(s) shall be preserved intact during the life of the life tenant; the interest earned on said funds may be used by the life tenant to maintain the property; however, the corpus of the sales proceeds shall remain intact and shall pass free of any conditions to the remaindermen upon termination of the life estate.

4. It is my hope and expectation that the named life tenant will continue to love the hunting and fishing activities that occur on this River Swamp Tract and that his love for this land and his appreciation of the stewardship function he has to preserve and protect this tract of land will continue to grow as he enjoys this property.

Item 5. The remainder interest in such said River Swamp Tract, I give, devise and bequeath to Kenneth Wilbur Steiner, III and Clifton Bailey Steiner, provided however, that the interest of Clifton Bailey Steiner during his minority shall be in Kenneth Wilbur Steiner, III as custodian for Clifton Bailey Steiner under the South Carolina Uniform Gifts to Minors Act.

Item 6. I give and bequeath to my stepson, Kenneth W. Steiner, Jr., all assets or property I use in connection with the operation of Phil Chappell Realty including use of said name should Ken choose to continue operating under said name along with office equipment, tax maps and supplies. This devise includes only physical assets and does not include any accounts receivable, commissions receivable, mortgages or notes receivable.

PC EJ #2
JW Steiner

Item 7. I give and devise to Kenneth Wilbur Steiner, III as Trustee for my great-grandson, Clifton Bailey Steiner, the sum of \$50,000.00 or one-half (1/2) of my net distributable estate – whichever amount is smaller- to be held in Trust and used to assist with post-high school education of my said great-grandchild. In the event Kenneth Wilbur Steiner, III refuses to serve, ceases serving as such, or predeceases Clifton Bailey Steiner then in any such event I nominate and appoint First Citizens Bank and Trust Company of South Carolina as alternate or successor Trustee.

This trust shall be known as the Clifton Bailey Steiner Educational Trust and only distributions for post-high school education of Clifton Bailey Steiner shall be made from said Trust; provided however, when Clifton Bailey Steiner attains twenty-five (25) years of age one-third (1/3) of the then Trust corpus shall be distributed to him; when he attains thirty (30) years of age one-half (1/2) of the then Trust corpus shall be distributed to him; and when he attains thirty-five (35) years of age the entire remaining corpus of the Trust shall be distributed to him and the Trust terminated.

Item 8. I give and devise the sum of \$5,000.00 or one (1%) percent of my net distributable estate – whichever is less - to each of the following named individuals who survive me, to-wit: Mattie Reed Turner, Pam Pavey, Marian Long and Patricia Chappell.

Item 9. I give, devise and bequeath all the rest, residue and remainder of my property of every kind whatsoever, real, personal and mixed, wherever situated or located, which I may own, be possessed of, or be entitled to at the time of my death, to such of the following who survive me, to-wit: my stepson, Kenneth W. Steiner, Jr. , my grandchildren Kenneth Wilbur Steiner, III, Laurie Steiner, Tammie Steiner, Amy Seabaur and my great-grandchild Clifton Bailey Steiner. Should any of the named devisees predecease me then the remaining named devisees shall share equally in my residuary estate. If my great-grandchild, Clifton Bailey Steiner, is a minor at the time of my death his share of my residuary estate shall go to Kenneth Wilbur Steiner, III., as Trustee for Clifton Bailey Steiner and shall be known as the Clifton Bailey Steiner Non-Educational Trust and administered in accordance with the terms, conditions and provisions hereinafter set forth.

In the event Kenneth Wilbur Steiner, III refuses to serve, ceases serving as such, or predeceases Clifton Bailey Steiner then in any such event I nominate and appoint First Citizens Bank and Trust Company of South Carolina as alternate or successor Trustee.

Item 10. The Trust if established for my great-grandson, Clifton Bailey Steiner, under Item 9 hereof shall be administered and disposed of as follows:

A. My trustee may distribute all or any portion of the net income and principal of the Trust to or for the benefit of my great-grandson, Clifton Bailey Steiner, in such amounts and at such times as my trustee, in my trustee's sole discretion may determine.

B. In addition, within a reasonable period of time after Clifton Bailey Steiner attains twenty-five (25) years of age, my Trustee shall distribute to Clifton Bailey Steiner one-third of said Trust Estate.

C. Within a reasonable period of time after Clifton Bailey Steiner attains thirty (30) years of age, my Trustee shall distribute to Clifton Bailey Steiner one-half of the then Trust Estate.

D. Within a reasonable period of time after Clifton Bailey Steiner attains thirty-five (35) years of age, my Trustee shall distribute to Clifton Bailey Steiner the entire remaining Trust Estate.

E. Should Clifton die before the entire Trust Estate is distributed to him, my trustee may, to the extent my Trustee may deem advisable, pay the funeral expenses including a suitable grave marker for Clifton and then distribute the remainder of the Trust assets to such of my residuary beneficiaries (Item 9 hereof) who survive Clifton.

F. If the principal and undistributed income of this Trust shall be less than an amount which my Trustee deems practical for continuance of the Trust, my trustee may in his discretion, terminate the trust by distributing all of the then remaining principal and undistributed income to Clifton Bailey Steiner.

Item 11. If any beneficiary under this will and I should die in a common accident or disaster or otherwise under such circumstances as would render it doubtful or impractical

Handwritten signature and initials: "JW" and "JG" with a large "X" over them.

to determine whether such beneficiary or I died first, then it shall be conclusively presumed for the purpose of this will that such beneficiary predeceased me.

Item 12. My Personal Representative and each Trustee named herein is authorized in its absolute discretion with respect to any property, real or personal, at any time held under any provision of this will and without authorization by any Court and in addition to any other rights, powers, authority and privileges granted by any other provision of this will or by statute or general rules of law but subject to the provisions of Item 3 and Item 4 hereof:

A. To retain any property or undivided interest in property owned by me at the time of my death, including residential property, regardless of any lack of diversification, risk or nonproductivity, as long as it deems advisable, and to exchange any such security or property for other securities or properties and to retain such items received in exchange, although said property represents a large percentage of the total property of my Estate or of a trust created hereunder or even the entirety thereof.

B. To invest and reinvest all or any part of my estate or trust estate in any property and undivided interest(s) in property, wherever located, including bonds, debentures, notes, secured or unsecured, stocks of corporations regardless of class, interest in limited partnerships, real estate or any interest in real estate whether or not productive at the time of investment, interests in trusts, investment trusts, whether of the open and/or closed fund types, and participation in common, collective or pooled trust funds, insurance contracts on the life of any beneficiary or annuity contracts for any beneficiary, without being limited by any statute or rule of law concerning investments by fiduciaries.

C. To sell or dispose of or grant options to purchase any property, real or personal, constituting a part of my estate, or trust estate for cash or upon credit, to exchange any property of my estate or trust estate for other property, at such times and upon such terms and conditions as they may deem best, and no person dealing with a fiduciary shall be bound to see to the application of any monies paid.

DEC 7 # 5 JMN

D. To hold any securities or other property in its own name as Personal Representative, or as Trustee, in the name of a nominee (with or without disclosures of any fiduciary relationship) or in bearer form.

E. To keep, at any time and from time to time, all or any portion of my estate or said trust estate in cash and uninvested for such period or periods of time as said fiduciary may deem advisable, without liability for any loss in income by reason thereof.

F. To sell or exercise stock subscription or conversion rights.

G. To refrain from voting or to vote shares of stock owned by my estate or a trust created hereunder at shareholders' meetings in person or by special, limited, or general proxy and in general to exercise all the rights, powers and privileges of an owner in respect to any securities constituting a part of my estate or a trust estate.

H. To participate in any plan of reorganization or consolidation or merger involving any company or companies whose stock or other securities shall be part of my estate or a trust estate, and to deposit such stock or other securities under any plan of reorganization or with any protective committee and to delegate to such committee discretionary power with relation thereof, to pay a proportionate part of the expenses of such committee and any assessments levied under any such plan, to accept and retain new securities received by my Personal Representative or Trustee pursuant to any such plan, to exercise all conversation, subscription, voting and other rights, of whatsoever nature pertaining to such property, and to pay any amount or amounts of money as they may deem advisable in connection therewith.

I. To subdivide, develop, or dedicate real property to public use or to make or obtain the vacation of plats and adjust boundaries, to adjust differences in valuation on exchange or partition by giving or receiving consideration, and to dedicate easements to public use without consideration.

J. To continue and operate any business owned by me at my death and to do any and all things deemed needful or appropriate by my Personal Representative or Trustee, including the power to incorporate the business and to put additional capital into

DEC 17 1961

the business, for such time as they shall deem advisable, without liability for loss resulting from the continuance or operation of the business except for their own negligence; and to close out, liquidate, or sell the business at such time and upon such terms as they shall deem best.

K. To collect, receive, and receipt for rents, issues, profits, and income of my estate or trust estate.

L. To insure the assets of my estate or trust estate against damage or loss and my Personal Representative or other fiduciary against liability with respect to third persons.

M. To compromise, adjust, arbitrate, sue on or defend, abandon, or otherwise deal with and settle claims in favor of or against my Estate as my Personal Representative shall deem best or against a trust estate as my Trustee shall deem best.

N. To employ and compensate agents, accountants, investments advisers, brokers, attorneys-in-fact, attorneys-at-law, tax specialists, realtors, and other assistants and advisors deemed by my Personal Representatives and/or by my Trustees needful for the proper administration of my estate or trust estate, and to do so without liability for any neglect, omission, misconduct, or default of any such agent or professional representative provided he was selected and retained with reasonable care.

O. To determine, irrespective of status or rule of law, what shall be fairly and equitably charged or credited to income and what to principal notwithstanding any determination by the courts or by any custom or statute and whether or not to establish depreciation reserves.

P. To hold and retain the principal of my estate and/or trust estate undivided until actual division shall become necessary in order to make distributions; to hold, manage, invest, and account for the several shares or parts thereof by appropriate entries on my Personal Representative's books of account and/or my Trustee's books of account; and to allocate to each share or part of share its proportionate part of all receipts

Handwritten signature and initials
O.C.P. #7

and expenses; provided, however, the carrying of several trusts as one shall not defer the vesting in title or in possession of any share or part of share thereof.

Q. To make payment in cash or in kind, or partly in cash and partly in kind upon any division or distribution of my estate (including the satisfaction of any pecuniary distribution) without regard to the income tax basis of any specific property allocated to any beneficiary and to value and appraise any asset and to distribute such asset in kind at its appraised value.

R. To exercise any power herein granted with reference to the control, management, investment or disposition of my Estate or any Trust Estate created herein.

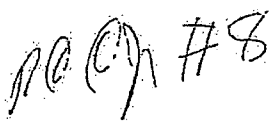
Item 13. I hereby nominate and appoint my grandson, Kenneth Wilbur Steiner, III Personal Representative, of this my last will. In the event my said grandson shall not survive me or for any other reason shall fail to be appointed or cease to serve as such Personal Representative, then I nominate and appoint my grandchildren, Laurie Steiner and Tammie Steiner, as alternate or successor Co- Personal Representatives. The words "Personal Representative" as used herein shall be taken to include the feminine and masculine genders and the singular and plural. I direct that to the extent permitted by law no Personal Representative serving hereunder shall be required to furnish bond as such.

I, Philip C. Chappell, Jr., the testator, sign my name to this instrument this 7th day of June, 2000, and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my last will and that I sign it willingly (or willingly direct another to sign it for me), that I execute it as my free and voluntary act for the purposes therein expressed, and that I am eighteen years of age or older, of sound mind, and under no constraint or undue influence.


PHILIP C. CHAPPELL, JR. (Seal)

We, Thomas G. Eadie and Lois J. Norton the witnesses, sign our names to this instrument, and at least one of us, being first duly sworn, does hereby declare, generally and to the undersigned authority, that the testator signs





and executes this instrument as testator's last will and that testator signs it willingly (or willingly direct another to sign it for testator), and that each of us, at the request of the testator, and in the presence and hearing of the testator, and in the presence and hearing of each other, hereby signs this last will as witness to the testator signing, and to the best of our knowledge the testator is eighteen years of age or older, of sound mind, and under no constraint or undue influence.

Thomas C. Chappell, Jr.
Luis J. Norton

Columbia, South Carolina

Columbia, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Subscribed, sworn to and acknowledged before me by Philip C. Chappell, Jr.,
the testator, and subscribed and sworn to before me by Thomas C. Chappell, Jr.

the witness, this 7th day of June, 2000.

Luis J. Norton (SEAL)

Notary Public for South Carolina

My Commission Expires: 9-29-08

Me

Doc #9

Exhibit

5

WARRANTY DEED

TMS#: 24800-06-46

Book 1474-3767

2008087645 11/07/2008 09:04:33:230

Warranty Deed

Fee: \$10.00 County Tax: \$137.50 State Tax: \$325.00

State of South Carolina)
 County of Richland)



2008087645 Richard W. Rodden

Richland County ROD

KNOW ALL MEN BY THESE PRESENTS: That,

This Deed, made this 27th day of October 2008, Between Tamara L. Steiner and Laurie L. Steiner, as Personal Representatives of the Estate of Phillip Chappell, Jr., as authorized by the last will and testament of Phillip Chappell, Jr. found in estate file 2000-ES-40-1277, hereinafter referred to as Grantor, in the State aforesaid, for and in consideration of \$125,000.00 to the estate paid by the Grantees, below-named, in the State aforesaid, the receipt whereof is hereby acknowledged, have granted, bargained, sold and released unto Tamara L. Steiner and Thomas Williams, Jr., as joint tenants with rights of survivorship, and not as tenants in common for and during their joint lives,, and upon the death of any of them, to the survivor or survivors of them, their heirs and/or assigns forever, in fee simple, together with every contingent remainder and right of reversion, whose address is: 2144 Long Trail, Hopkins, SC 29061, hereinafter referred to as Grantees, all their undivided interest in the following described property:

SEE PROPERTY DESCRIPTION ATTACHED HERETO AS EXHIBIT "A"

Property Address: 2144 Long Trail, Hopkins, SC 29061

This conveyance is made subject to existing easements and to covenants, conditions, restrictions and easements of record, including, but not limited to, any shown on recorded plats.

Together with all and singular the rights, members, hereditaments and appurtenances to said premises belonging or in anywise incident or appertaining.

To Have and to Hold all and singular the said premises unto Grantees, for and during their joint lives and upon the death of either of them then to the survivor of them, his or her heirs, Successors and/or assigns forever in fee simple, together with every contingent remainder and right of reversion.

And we do hereby bind ourselves, our Heirs, Successors, Executors, and/or Administrators, to warrant and forever defend all and singular the said premises unto Grantees, their Heirs, Successors and/or assigns against us and our Heirs or Successors and against every person whomsoever lawfully claiming, or to claim, the same or any part thereof.

All reference made herein to the singular shall include the plural, all reference made herein to the masculine shall include the feminine and the neuter.

In Witness Whereof, the grantors have set their hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

Witness #1 M. R. May

Witness # 2 (Notary)
 P. W. Shannon

Tamara L. Steiner and Laurie L. Steiner as
 Personal Representatives of the Estate of Phillip
 Chappell

RATCHFORD & MAY LLC
 2026 ASSEMBLY ST., STE. 104
 COLUMBIA, SC 29201

PROBATE

State of SCCounty of Richland

Personally appeared before me the undersigned witness and made oath that (s)he saw the within named Grantor sign, seal and as her act and deed, deliver the within written deed for the uses and purposes therein and that with the other witness whose signature appears above witnessed the execution thereof.

SWORN to before me on 27 October 2008.

[Signature] (SEAL)
 Notary Public for SC
 My Commission Expires: 9-26-13

[Signature]
 Witness #1

RATCHFORD & MAY LLC
 2025 ASSEMBLY ST., STE. 107
 COLUMBIA, SC 29201

JLS

All that certain piece, parcel or lot of land, together with the improvements thereon, if any, situate, lying and being in the County of Richland, State of South Carolina, being shown and delineated as a Lot containing Three (3) Acre(s), on a plat prepared for Kenneth W. Steiner, III, Personal Representative for the Estate of Phillip C. Chappell, Jr." by Darryl W. Cribb, RLS #16808, dated August 23, 2002, and recorded on April 8, 2008 in the Office of the ROD for Richland County in Book R1418 at page 1993. Reference being made to said latter plat which is incorporated herein by reference for a more complete and accurate description; all measurements being a little more or less.

This conveyance is made subject to any and all existing reservations, easements, right-of-way, zoning ordinances, and restrictive or protective covenants that may appear of record or on the premises and otherwise affecting the property.

TMS No. 24800-06-46 (Real Property)

Derivation: This being the same property first conveyed to Phillip C. Chappell, Jr. by deed from W.M. Webb, dated October 16, 1951, and recorded October 26, 1951, in Book 81, at Page 425, in the ROD Office for Richland County, South Carolina Records. Thereafter conveyed to Thomas Williams, Jr. and Tamara L. Steiner, as joint tenants with right of survivorship, by Deed of Distribution from the Estate of Phillip C. Chappell, Jr. to be recorded herewith.

PROPERTY ADDRESS:
2144 Long Trail
Hopkins, South Carolina 29061

JS

RATCHFORD & MAY LLC
2026 ASSEMBLY ST., STE. 101
COLUMBIA, SC 29201

CONTINUATION PAGE

A-4

POLICY NO. SC401220080525

TMS No. 24800-06-46 (Real Property)

Derivation: This being the same property first conveyed to Phillip C. Chappell, Jr. by deed from W.M. Webb, dated October 16, 1951, and recorded October 26, 1951, in Book 81, at Page 425, in the ROD Office for Richland County, South Carolina Records. Thereafter conveyed to Thomas Williams, Jr. and Tamara L. Steiner, as joint tenants with right of survivorship, ~~by deed from Phillip C. Chappell, Jr. dated 10/26/51, recorded 10/26/51, in Book 81, at Page 425, in the ROD Office for Richland County, South Carolina Records.~~

PROPERTY ADDRESS:
2144 Long Trail
Hopkins, South Carolina 29061

000052

Exhibit

6

employee
Thomas Williams, Jr. 2144 Long Trail, Hopkins, SC 29061

SSN ***-**-0598 Status (Fed/State) Single Pay Date 8/15/2008
Pay Period: 08/01/2008 - 08/15/2008

amings and Hours	Qty	Rate	Current	YTD Amount
ary	1.00		3,033.34	45,500.10
uctions from Gross			Current	YTD Amount
death insurance			102.64	1539.6
axes			Current	YTD Amount
ocial Security Employee			480.31	7,204.65
edicare Employee			188.07	2,821.05
C - Income Tax			170.34	2,555.10
et Pay			Current	YTD Amount
			2,091.98	31,379.70

CarMac Construction, LLC, 921 True Street, Columbia, SC 29209 803-783-0448

Exhibit

7

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Sterling Lending Group, Inc., as agent for
Regent Bank,

Plaintiff,

v.

Tamara L. Steiner, Thomas Williams, Jr.,
Ben Staples, SC Housing Corp, acting
through South Carolina State Housing
Finance and Development Authority's
South Carolina Homeownership and
Eomployment Lending Program, Terry
Huffstetter and Tin Huffstetter, Joan L.
Miller, Atlantic Credit & Finance, Inc.,
Department of the Treasury – Internal
Revenue Service, State of South Carolina
Department of Revenue and First
Financial Corporation,

Defendants.

IN THE COURT OF COMMON PLEAS

C/A NO: 2013-CP-40-5959

2015 NOV -3 11:11:38
FILED
C.C.P. & C.A.

**ORDER DENYING MOTION TO VACATE
SALE OR IN THE ALTERNATIVE STAY OF
SALE**

This matter came before me on September 10, 2015 on Kenneth W. Steiner, III, and Amie S. Seebauer's Motion to Vacate Sale or in the alternative Stay of Sale Until Title is Clear ("Motion"). The Motion was dated June 26, 2015 and filed the same day with the Richland County Clerk of Court. Mr. Steiner and Ms. Seebauer ("Movants") styled their appearance as Petitioners, though they were not parties or intervenors in the instant matter. The Movants appeared at the hearing and were represented by David Eugene Massey, Esq., in a special appearance.

Drew B. Walker, Esq., and M. Alan Peace, Esq., appeared at the hearing for the Plaintiff Sterling Lending Group, Inc., as agent for Regent Bank ("Plaintiff").

Based upon my review of the motion, statutes, case law and oral arguments of counsel, I

000056

find and conclude that the Motion is denied.

FINDINGS AND CONCLUSIONS OF LAW

This Court entered an Order of Foreclosure and Sale on June 6, 2014 in the instant matter. A Supplemental Order of Foreclosure and Sale was issued by this Court on January 21, 2015. Pursuant to the aforementioned orders, the real property that is the subject of this action commonly known as 2144 Long Trail, Hopkins, SC ("Subject Property") was sold at public auction on February 2, 2015. Plaintiff was the successful bidder of the Subject Property at the public auction.

I executed and delivered a deed of conveyance to the Plaintiff of the Subject Property dated March 9, 2015 and recorded in the Office of the Register of Deeds for Richland County ("ROD") in Book 2011 at Page 1553. Plaintiff holds title to the Subject Property.

Movants's counsel stated they are devisees under the Last Will and Testament of Phillip Chappell, Jr., whose estate ("Estate") was opened in 2000 in the Richland County Probate Court as 2000-ES-40-1277. Movants state a belief in their Motion that an October 27, 2008 conveyance by Warranty Deed of the Subject Property recorded on November 7, 2008 in Book 1474 at Page 3767 in the ROD ("Deed") is voidable pursuant to S.C. Code Ann. 62-3-713 because Tamara L. Steiner, along with Laurie L. Steiner, as Personal Representatives of the Estate, conveyed the Subject Property to Thomas Williams, Jr., and Tamara L. Steiner as joint tenants with a right of survivorship ("Defendant Grantees"), who are Defendants in the instant matter. The Defendants are in default and did not contest the foreclosure or appear at the instant motion hearing.

The consideration for the Deed was \$125,000.00. The Probate Court had previously approved a sales of price of \$125,000.00 to Laurie Steiner in its June 21, 2007 Order. Plaintiff loaned the Grantees the consideration for the conveyance, which was secured by its mortgage as enumerated in the aforementioned foreclosure orders. Plaintiff's counsel argued that the last

sentence of the Reporter's comments in S.C. Code Ann. 62-3-713, by extension, is applicable in this instance to Plaintiff lender/mortgagee. The comment states: "The general principles of law pertaining to a bona fide purchaser for value will protect the title to property in the hands of such a purchaser who obtained it without notice of the conflict of interest or act of self-dealing." Further, Plaintiff's counsel argued that S.C. Code 62-3-910¹ is directly applicable to Plaintiff, in the event that the Deed was ever determined to be voidable under S.C. Code 62-3-713. Movants presented no evidence or testimony as to why Plaintiff's lien could be construed as invalid under S.C. Code 62-3-910 even in the event a court held that the Deed was voidable under S.C. Code 62-3-713.

I find Plaintiff's mortgage that is the subject of this action ("Mortgage") is valid and was properly foreclosed, and that Plaintiff is a bona fide mortgagee or lender for value without notice under general principles of South Carolina law and S.C. Code 62-3-910 (a). Movant's counsel argued that the Deed and Mortgage were invalid because a warranty deed was given instead of a deed of distribution. I find that the Deed, which denotes it was from a personal representative, is one of the types of "instruments" contemplated in S.C. Code 62-3-910 (a), and Movant's argument therefore fails.

Further, the Deed to the Defendant Grantees and the Mortgage given to Plaintiff by them

¹ (A) If property distributed in kind (whether real or personal property) or a mortgage or other security interest therein is acquired for value by a purchaser from or lender to a distributee who has received an instrument or deed of distribution from the personal representative, or is so acquired by a purchaser from or lender to a transferee from such distributee, the purchaser or lender takes title free of rights of any interested person in the estate and incurs no personal liability to the estate, or to any interested persons, whether or not the distribution was proper or supported by court order or the authority of the personal representative was terminated before execution of the instrument or deed. This section protects a purchaser from or lender to a distributee who, as personal representative, has executed a deed of distribution to himself, as well as a purchaser from or lender to any other distributee or his transferee. To be protected under this provision, a purchaser or lender need not inquire whether a personal representative acted properly in making the distribution in kind, even if the personal representative and the distributee are the same person, or whether the authority of the personal representative had terminated before the distribution. Any recorded instrument described in this section on which the appropriate documentary or revenue stamps are affixed is prima facie evidence that the transfer was made for value.

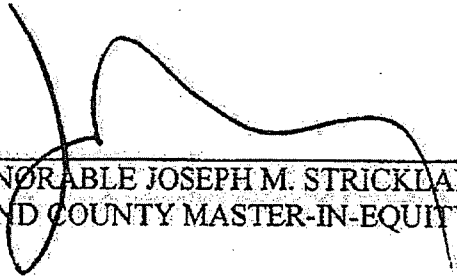
have been recorded since 2008. Movants knew or should have known that any action to void the Deed or invalidate the Mortgage should have been brought within the applicable three year statute of limitations.

Accordingly,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

Plaintiff's Mortgage is valid and was properly foreclosed, and that Plaintiff is a bona fide mortgagee or lender for value without notice under general principles of South Carolina law and S.C. Code 62-3-910 (a). The Deed, which denotes it was from a personal representative, is one of the types of "instruments" contemplated in S.C. Code 62-3-910 (a). Movant's efforts to void the Deed or invalidate the Mortgage are barred by the statute of limitations. Plaintiff's Motion is denied.

AND IT IS SO ORDERED.



THE HONORABLE JOSEPH M. STRICKLAND
RICHLAND COUNTY MASTER-IN-EQUITY

Oct. 29, 2015
Columbia, South Carolina

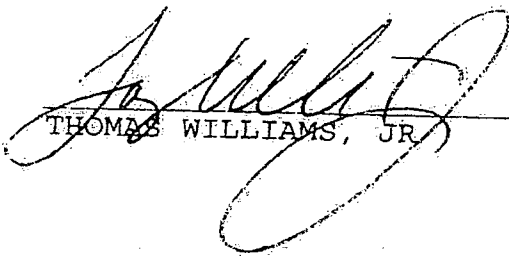
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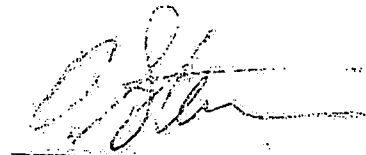
Exhibit

8

000060

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


THOMAS WILLIAMS, JR. (Seal)
-Borrower


TAMARA L. STEINER (Seal)
-Borrower

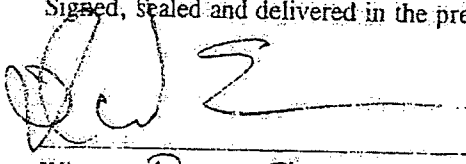
(Seal)
-Borrower

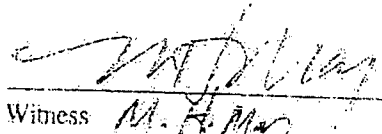
(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

Signed, Sealed and delivered in the presence of:


Witness P.W. Shannon


Witness M. H. May

[Space Below This Line For Acknowledgment]

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Personally appeared before me P. W. Shanner

(first witness) and made oath that he/she saw the within named THOMAS WILLIAMS, JR AND
TAMARA L. STEINER

(grantor or maker) sign, seal, and as his/her act and deed, deliver the within written mortgage, and that he/she, with

M. H. May (second witness), witnessed the execution thereof.

Witness P. W. Shanner

SWORN to before me this 27TH day of OCTOBER, 2008

[Signature]
Notary Public for South Carolina

My commission expires: 9-26-13

(Seal)

000062

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Sterling Lending Group, Inc., as agent for
Regent Bank,

Plaintiff,

v.

Tamara L. Steiner, Thomas Williams, Jr.,
Ben Staples, SC Housing Corp, acting
through South Carolina State Housing
Finance and Development Authority's
South Carolina Homeownership and
Employment Lending Program, Terry
Huffstetter and Tin Huffstetter, Joan L.
Miller, Atlantic Credit & Finance, Inc.,
Department of the Treasury – Internal
Revenue Service, State of South Carolina
Department of Revenue and First
Financial Corporation,

Defendants.

IN THE COURT OF COMMON PLEAS

C/A NO: 2013-CP-40-5959

**ORDER DENYING MOTION FOR
RECONSIDERATION AND/OR
AMENDMENT OF JUDGMENT, MOTION
TO INTERVENE AND VACATE
FORECLOSURE**

RICHLAND COUNTY
FILED
2016 MAR 28 AM 10:34
JEANNETTE W. MCBRIDE
C.C.P. & G.S.

These matters came before me on February 23, 2016 on the following *pro se* motions of Kenneth W. Steiner, III and Amie S. Seebauer's: 1) Motion for Reconsideration and/or Amendment of Judgment filed November 13, 2015 with the Richland County Clerk of Court ("COC") ("First Motion"); 2) Motion to Intervene and Vacate Foreclosure filed December 3, 2015 with the COC ("Second Motion"); and 3) Motion to Intervene and Vacate Foreclosure filed February 2, 2016 filed with the COC ("Third Motion"). Mr. Steiner and Ms. Seebauer ("Movants") styled their appearance as Petitioners, though they were not parties or intervenors in the instant matter. The Movants appeared at the hearing and were represented by David Eugene Massey, Esq.

000063

Drew B. Walker, Esq., appeared at the hearing for the Plaintiff Sterling Lending Group, Inc., as agent for Regent Bank ("Plaintiff").

Based upon my review of the motion, statutes, case law and oral arguments of counsel, I find and conclude that the motions are denied.

FINDINGS AND CONCLUSIONS OF LAW

I. The First Motion

Movant's First Motion moves for reconsideration and/or amendment of judgment found in the Order Denying Motion to Vacate Sale or in the Alternative Stay of Sale dated October 29, 2015 and filed with the COC on November 3, 2015 ("Order"). All defined terms in the Order are reincorporated here for use in this instant order.

A. As to Movant's first ground in Paragraph 1 of its First Motion, Movants had ample time to obtain affidavits before or after the filing of their motion. Movant's Motion for Continuance was therefore denied. The Court takes judicial notice of the properly recorded Deed from 2008 that the Movant's knew or should have known about within the following three years, and denies the grounds in Paragraph 1 for reconsideration.

B. As to Movant's grounds in Paragraph 2 of its First Motion, it is denied for the same reasons sated in Subsection A above.

C. As to Movant's grounds in Paragraph 3 of its First Motion, it is denied because it is an erroneous interpretation of the law and statutes cited, and the reasoning in the Order stands as adjudicated therein.

D. As to Movant's grounds in Paragraph 4 of its First Motion, it is denied because of Movant's convenient and continued omission of the two words that precede "deed of distribution" in the cited statutes: "*instrument or*". The court finds that the Deed was an

instrument contemplated in the statutes, and denies the construction Movant's wish to take of the clear and unambiguous statutes that contemplates conveyances by instruments other than and in addition to deeds of distributions.

E. As to Movant's grounds in Paragraph 5 of its First Motion, it is denied for the reasons stated in Subsection A above.

F. As to Movant's grounds in Paragraph 6 of its First Motion, it is denied because this Court finds that there are no issues properly before the Court concerning a minor child of the Estate of Phillip Chappell, Jr. Further assuming a motion by the Estate or conservator or guardian were properly before the Court, the findings in the Order would remain unchanged on the same grounds as the Order denied the motion as to the Movants.

Accordingly,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Movant's First Motion is denied.

II. The Second Motion

The Second Motion moves to allow the Movants to Intervene on behalf of the Estate of Phillip Chappell, Jr. pursuant to SCRCP 24. Secondly, the Second Motion moves to vacate the foreclosure sale of the Subject Property pursuant to SCRCP 60.

The motion under SCRCP 24 is denied for the following reasons: the Movants are not in a proper procedural posture to represent a class of "heirs" in addition to themselves. Further, the Movants' arguments have been heard and adjudicated by this Court, and have been denied based on the reasoning above and in the Order. This Court will not allow their entry into the case as Intervenors to have a second bite of the apple on the same arguments.

Finally, this Court finds the requested intervention untimely as contemplated in SCRCP

24 and Davis v. Jennings, 304 S.C. 502, 504, 405 S.E. 2d 601,603 (1991). The Deed was filed in 2008 and any purported interest in the Subject Property or in the litigation in this 2013 case should have been known and raised by Movants prior to their motions filed in 2015. Movants state their reason for delay was not knowing of the law they believe supports their motions. As discussed in the Order and above, this Court disagrees with their legal arguments and, moreover, ignorance of the law is not an appropriate reason for the delay. The litigation has progressed past judgment and sale of the Subject Property, which would cause great prejudice to the Plaintiff and other defendants by allowing intervention and re-litigation of the issues this Court has already heard through Movant's motions.

The motion under SCRCP 60 is denied for the reasons stated in subsection D of the previous section. It is also denied because the issues in the motion and attempt to vacate foreclosure was previously heard and decided in the Order, reconsidered and denied in the instant motion, and the Court finds no new grounds under SCRCP 60 to grant the motion.

Accordingly,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Movant's Second Motion is denied.

III. The Third Motion

This Court denies the SCRCP 24 motion to intervene for the reasons stated in the prior Section, and it does not find that any additional grounds raised in the Third Motion, in the light most favorable to the Movants, that influence its reasoning above on the intervention request.

This Court denies the SCRCP 60 motion because the issue and attempt to vacate foreclosure was previously heard and decided in the Order, and it was also reconsidered and denied in the instant motion. To the extent that Paragraphs 1-7 of the Third Motion and

supporting memorandum raise new grounds not raised in Movant's previous motions, the Court holds that the information raised is unsupported by affidavit or documents proper for the Court to consider but, even if true, was available to Movants at the time of filing its previous motions and are barred under the doctrines of res judicata. Further, any new information, viewed in the light most favorable to Movants, is unconvincing to relieve Movants or any parties from the Order of Foreclosure and Sale under the SCRCP 60 legal standard.

A. As to Movant's grounds in Paragraph 1 of its Third Motion, the error in those words, even if true, does not have bearing on the substance of the relief granted Plaintiffs, and was merely clerical.

B. As to Movant's grounds in Paragraph 2 of its Third Motion, I have previously ordered the sale of the Subject Property, reconsidered Movant's grounds for vacating the sale as outlined in the Order and above, considered the wording in the Deed prepared by Mr. Rish, and hold that the sale was a valid conveyance that should not be vacated.

C. As to Movant's grounds in Paragraph 3 of its Third Motion, I find the discrepancy cited, even if true, to be inconsequential.

D. As to Movant's grounds in Paragraph 4 of its Third Motion, I find that Mr. Shannon's presence at the closing, even if true, does not give him notice of an improper sale, the impropriety of which Movants have failed to convince this Court of.

E. As to Movant's grounds in Paragraph 5 of its Third Motion, I find this legal conclusion to be unsupported by the record presented to the Court.

F. As to Movant's grounds in Paragraph 6 of its Third Motion, I find the discrepancy cited, even if true, to be inconsequential.

G. As to Movant's grounds in Paragraph 7 of its Third Motion, I find this

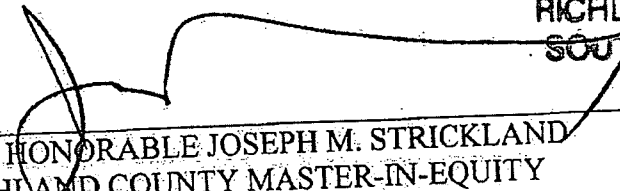
legal conclusion to be unsupported by the record presented to the Court.

Accordingly,

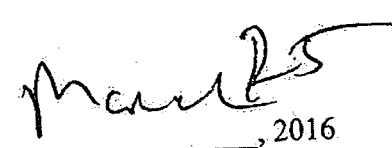
IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Movant's Third Motion is denied.

AND IT IS SO ORDERED.

CERTIFIED TRUE COPY
OF ORIGINAL FILED,
Janette W. Brade
C.C.C.P. & G.S. 1914
RICHLAND COUNTY
SOUTH CAROLINA



THE HONORABLE JOSEPH M. STRICKLAND
RICHLAND COUNTY MASTER-IN-EQUITY


_____, 2016
Columbia, South Carolina

000068

ROGERS LEWIS

ATTORNEYS AT LAW

Pamela Baker - Paralegal
pbaker@rogerslewis.com

March 17, 2016

FILED 2 1 2016
MASTER-IN-EQ
RICHLAND COUNTY

The Honorable Joseph M. Strickland
Richland County Master in Equity
PO Box 192
Columbia, SC 29202-2766

Re: Sterling Lending Group, Inc. v. Tamara L. Steiner et al.
Civil Case No.: 2013-CP-40-05959

Dear Judge Strickland:

Enclosed please find a proposed Order Denying Motion for Reconsideration and/or Amendment of Judgment, Motion to Intervene and Vacate Foreclosure for your consideration in the referenced matter.

Thank you for your assistance with this matter. Should you have any questions, please contact our office.

Sincerely,

Pamela Baker
Pamela Baker
Paralegal for Drew B. Walker

Enclosure

cc: Alan Peace, Esq.
David Massey, Esq.

Rogers Lewis Jackson Mann & Quinn, LLC
PO Box 11803 (29211)
1330 Lady Street, Suite 400
Columbia, SC 29201

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F: 803-252-3653
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000069

1 STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

2 COUNTY OF RICHLAND

C/A. No. 2013-CP-40-5959

3 Sterling Lending Group,

4 Plaintiff,

5 vs.

6 Tamara L. Steiner, et al,

7 Defendants.

8
9 MOTION HEARING

10 *****

11 Thursday, September 10, 2015

12 2:00 p.m. - 2:51 p.m

13
14 The hearing before the Honorable Joseph M.
15 Strickland was held at the Richland County
16 Judicial Center, 1701 Main Street, Courtroom 2D,
17 Columbia, South Carolina, on the 10th day of
18 September, 2015 before Cassandra E. Vance, Court
19 Reporter and Notary Public in and for the State
20 of South Carolina.
21
22
23
24
25

000070

APPEARANCES:

Andrew B. Walker, Esquire
Rogers, Lewis, Jackson, Mann & Quinn, LLC
Post Office Box 11803
1330 Lady Street, Suite 400
Columbia, South Carolina 29211
Attorney for the Plaintiff

M. Alan Peace, Esquire
Tyler, Cassell, Jackson, Peace & Silver, LLC
1331 Elmwood Avenue, Suite 300
Columbia, South Carolina 29201
Co-counsel for the Plaintiff

David E. Massey, Esquire
Law Offices of David Massey
1620 Gervais Street, Suite A
Columbia, South Carolina 29201
Attorney for Tripp Steiner

ALSO PRESENT:

Tripp Steiner
Amie Seebauer

INDEX

PAGE

Certificate.....50

EXHIBITS

PAGE

(There were no exhibits marked during the hearing.)

STIPULATIONS

It is stipulated and agreed that this
hearing is being held pursuant to the South
Carolina Rules of Civil Procedure.

1 THE COURT: All right. This is Civil Action
2 No. 2013-CP-40-5959, Sterling Lending Group
3 against Tamara Steiner and others.

4 Our notes indicate this hearing is on a
5 Motion to Vacate the judicial sale that took
6 place months ago. Are we all on the same page?

7 MR. MASSEY: May it please --

8 THE COURT: Mr. Massey?

9 MR. MASSEY: -- the Court, Your Honor. I'm
10 David Massey. I'm here on special appearance for
11 Mr. Tripp Steiner. He's my office neighbor and
12 came to me and showed me a little bit of this.

13 And I said, "You've got a Probate issue
14 because you're a Conservator of a minor and there
15 was an error taken in this Estate," and that's
16 why I got him started in Probate.

17 And I said, "All I think you can do with the
18 Master-In-Equity, you can, perhaps, at least
19 inform the Court and move for a stay of the
20 foreclosure proceeding," or it -- it would be a
21 Rule 60, I guess, to vacate it, but --

22 THE COURT: But it's over. It's been over
23 for a while; that's the problem.

24 MR. MASSEY: Yes, sir.

25 THE COURT: Your clients can come around and

1 sit up here, if they'd like.

2 And the Court Reporter knows everybody's
3 name? Do you know everyone's name?

4 THE COURT REPORTER: Except for the female.

5 THE COURT: Oh, I'm sorry.

6 MS. SEEBAUER: Amie Seebauer.

7 MR. MASSEY: Seebauer.

8 THE COURT: Ms. Seebauer.

9 MS. SEEBAUER: A-M-I-E.

10 THE COURT: Okay.

11 MR. MASSEY: And, again, Your Honor, we're
12 concerned that there may have been a problem in
13 the sale that occurred from the Estate to the
14 Personal Representative of the Estate in 2008,
15 which was done by a general warranty deed rather
16 than by a deed of distribution.

17 THE COURT: Why would that be a problem?

18 MR. MASSEY: Well, we believe that that is a
19 sale that can be invalidated by a specific
20 Probate code that states that a personal
21 representative cannot sell themselves property
22 unless the will expressly provides for it or a
23 court orders it or the other heirs consent to it.
24 And none of those three criteria were met in this
25 case.

1 And they came down to my office a couple of
2 months ago to show me that and I said, "From
3 first glance of the statute, it looks like you're
4 right. The problem is, the cows have gotten out
5 of the barn and they've gone on to a different
6 place."

7 And they mentioned that the property has
8 been foreclosed upon. And I stated, "You'll need
9 to consult an attorney after this hearing today
10 about whether or not the real estate lawyer that
11 conveyed it by general warranty deed rather than
12 a deed of distribution has some issues."

13 But I also said, "You need to at least bring
14 it to the attention of the Court, because if this
15 property gets sold down the line, then the
16 Probate Court may invalidate the transaction
17 itself and it'd be too late."

18 THE COURT: Uh-huh (affirmatively responds).

19 MR. MASSEY: So I'm just trying to
20 preserve -- particularly for Tripp, because he's
21 a Conservator of a minor of the Estate, and now
22 the Estate assets, it's my understanding, that
23 were paid as a result of the 2008 sale are gone
24 and unaccounted for.

25 And so, again, this is not my realm and you

1 know that. We've known each other a long, long
2 time.

3 THE COURT: Uh-huh (affirmatively responds).

4 MR. MASSEY: And if it's foreclosed, it's
5 gone. But at the same time, I would think the
6 Court, out of judicial economy, may want to look
7 at this thing or may wait for the Probate to
8 determine if it's invalid.

9 Because, otherwise, we're going to have an
10 issue on this title down the road, whether or not
11 it was a bona fide subsequent sale or whether or
12 not someone took subsequently due to a deed of
13 distribution.

14 THE COURT: All right. Mr. Peace?

15 MR. PEACE: I think it's Mr. Walker's case.

16 THE COURT: I'm sorry, go ahead. I'm sorry,
17 I forgot your name.

18 MR. WALKER: Drew Walker, Your Honor.

19 THE COURT: All right. Mr. Walker, go
20 ahead.

21 MR. WALKER: Thank you. May it please the
22 Court. Your Honor, this is a 2000 Estate. The
23 decedent in this died 15 years ago. The deed out
24 of the Estate that was executed by both Personal
25 Representatives was in 2008, Your Honor, and so

1 this is seven years stale.

2 With that said, the lender, who enabled the
3 2008 sale, has now foreclosed on their defaulting
4 borrowers, as Your Honor well knows; you handled
5 that matter.

6 Foreclosure has been ordered, a
7 Master-In-Equity's deed has been signed by Your
8 Honor, and we're here to get the tenants out of
9 the premises and that property belongs to the
10 bank, Your Honor.

11 The Movants -- who are not a party to this
12 case. They've not moved to intervene. I don't
13 know that they're properly here from a procedural
14 standpoint -- have raised a statute that they
15 think may void that 2008 transaction.

16 Your Honor, I think if we got into the weed,
17 we would see that Mr. Steiner, who was
18 very -- that's here today and the Movant -- was
19 very involved in selling that property, that when
20 he was the Personal Representative of the Estate,
21 he approved the purchase price.

22 We would also see that the Court, the
23 Probate Court, knew about it. That's why it's
24 still open today. And they had approved that
25 purchase price. And we think things were done

1 aboveboard with everybody and knowing about that
2 within the Probate Court.

3 I want to bring to the Court's attention a
4 very particular statute that I think opens and
5 closes this case and the argument. Your Honor, I
6 have the statute with me that the Movants here
7 cite.

8 Very importantly in the reporter's comment,
9 it says that "The general principles of law
10 pertaining to bona fide purchasers for value" --
11 which I think would also pertain to my client as
12 a bona fide mortgagee for value -- "will protect
13 the title of property in the hands of such a
14 purchaser or mortgagee" -- I'm paraphrasing --
15 "who obtained it without notice of the conflict
16 of interest of self-dealing."

17 And, Your Honor, also very importantly,
18 Title 62, Chapter 3, Section 910 puts this into
19 very clear focus. And I apologize, I don't have
20 a copy of that. I do have --

21 THE COURT: It's from the Probate code?

22 MR. WALKER: It is from the Probate code. I
23 have that -- I have it on my phone. I'll be
24 happy to either read it to the Court or if the
25 Court would indulge me, I could send you a copy

1 afterwards.

2 THE COURT: No, just tell me what it says.

3 MR. WALKER: It clearly states that a
4 mortgagee, even when a PR makes a distribution to
5 hisself or herself, whether it's aboveboard or
6 not, is for value without notice and that cannot
7 be undone. The language cannot be any clearer.

8 It says that it can be through an instrument
9 or a deed of distribution. This was through a
10 general warranty deed, which is an instrument.
11 And it says that the mortgagee is not required to
12 inquire with the PR, even if the PR is
13 distributing the property to itself.

14 It's clearly put in the code by our
15 Legislature to protect lenders, like our client
16 here, Your Honor, that made such a loan which
17 allowed the funds for this Probate to be cleared
18 up.

19 Now, I'm hearing today that they don't know
20 where the \$125,000 went. It should have gone
21 into the Estate. But no matter what, a loan was
22 made based on that belief and under the
23 protection of Section 910, Your Honor.

24 THE COURT: All right. Now, your client
25 owns the property now.

1 MR. WALKER: Yes.

2 THE COURT: Your client has a deed. The
3 deed has been recorded, I take it?

4 MR. WALKER: They did.

5 THE COURT: Who actually -- is it a house or
6 a condo? What kind of building is it?

7 MR. WALKER: I believe it's a primary
8 residence, single-family home.

9 THE COURT: Are people living there now?

10 MR. WALKER: I believe that the Defendants
11 that were foreclosed upon are pending there. I
12 think Mr. Peace has a Rule to Show Cause as to
13 why they shouldn't be forced to vacate.

14 THE COURT: What are the names of the people
15 that live there now?

16 MR. WALKER: I believe it's Tamara Steiner
17 and Mr. Williams --

18 MR. PEACE: Mr. Williams, Thomas Williams.

19 MR. WALKER: -- the Defendants in the
20 foreclosure action.

21 THE COURT: And they live in the property
22 now? They live in the property?

23 MR. PEACE: That's what we understand.

24 THE COURT: Okay. Because I think we -- had
25 we already scheduled the writ of assistance

1 hearing?

2 MR. PEACE: No, Judge. We had sent over the
3 petition and the Rule back at the end of June
4 asking for a hearing to be scheduled, but it's
5 not been scheduled yet. But the petition and the
6 Rule has been pending in your office now since
7 the end of June.

8 THE COURT: Okay. And, Mr. Massey, that's a
9 fancy word we use to distinguish between eviction
10 of the Magistrate. But a writ of assistance
11 hearing is simply an eviction notice and the new
12 owners of the property after foreclosure have the
13 right to ask for that and sometimes they'll even
14 give them -- you know, they don't take that long.
15 Here, we make them have another hearing.

16 Now, on the other hand, Mr. Peace, your
17 client owns the property. That gives you a
18 little bit of flexibility.

19 Mr. Massey, your clients want the property
20 back or what do they want?

21 MR. MASSEY: Your Honor, what they want,
22 first of all, is have the Probate Court determine
23 one thing, first of all, whether or not they can
24 bring this up in lieu of any statute of
25 limitations.

1 And then, number two, was the transfer from
2 a Personal Representative to herself a violation
3 of the Probate code Section 62-2-713 --

4 THE COURT: Uh-huh (affirmatively responds).

5 MR. MASSEY: -- which requires either a
6 court order, expressly in the will, or consent of
7 the parties?

8 None of those occurred in this case. So if
9 they can present evidence -- and if the Probate
10 Court then says it is a voidable sale, and
11 particularly voidable because it was done by
12 general warranty deed, and that it should have
13 been done by deed of distribution.

14 And that's why the Probate judge after all
15 these minor children's Guardians Ad Litem get
16 sufficient notice and the woman that's in the
17 house -- their sister that's in the house right
18 now with her boyfriend -- have a chance to get
19 attorneys because there could be some serious
20 issues involved in this.

21 THE COURT: At this point --

22 MR. MASSEY: Then a court -- if they void
23 the sale and the Probate Court determines it's
24 not in violation of any statute of limitations to
25 bring it up, then I think that that would grant

1 two issues. Number one, Section -- and I don't
2 have my glasses --

3 THE COURT: Yes, sir.

4 MR. MASSEY: -- but it's whichever one you
5 mentioned on 910 of the Probate Court --
6 62-3-910. The question then becomes -- we know
7 there was no deed of distribution. Then the
8 question becomes -- we're using ambiguous
9 terms -- some kind of instrument, a general
10 warranty deed.

11 But I would argue that's against public
12 policy, because it totally goes against Title
13 62-2-713 which says no personal representative --
14 this statute was made to stop conflicts of
15 interest and you can't do it that way. You have
16 to abide by 62-2-713.

17 THE COURT: All right. Mr. Massey, tell me
18 how anything you said has anything to do with the
19 foreclosure action that was filed in this Court
20 in 2013 that's over with?

21 You know, I understand everything you said.
22 I understand that. I don't understand how --

23 MR. MASSEY: Here's what --

24 THE COURT: -- why you're before me now
25 saying that the Probate Court has to make a

1 decision on a transaction that happened nine
2 years ago.

3 Was it nine years ago? See, my math is bad,
4 as well.

5 MR. MASSEY: And, again, I don't have it in
6 front of me, either.

7 THE COURT: It's been quite a few years
8 ago -- and how that would affect the case because
9 that doesn't void the mortgage on the property,
10 does it?

11 MR. MASSEY: Right. And, again --

12 THE COURT: I mean, who's going to pay --
13 who's supposed to pay the mortgage back down --

14 MR. MASSEY: I'm making, again, a special
15 appearance because I want to make certain the
16 minor involved in this case is protected; Tripp,
17 as his Conservator.

18 Your Honor, there's going to be an issue of
19 whether or not the 2008 closing attorney did
20 something he should not have done and that will
21 be for the judge over there and whatever lawyer
22 they retain --

23 THE COURT: I was going to say, the
24 Probate -- I'm sure the Probate judge will deal
25 with it appropriately.

1 MR. MASSEY: And we're going to probably be
2 looking down the road at a title insurance issue.
3 We're probably going to be looking at some
4 professional liability issues.

5 What I'm trying to do is, just arguing judicial
6 economy, if we give the financial institution
7 back the property, where there are still issues
8 outstanding whether or not it's a bona fide
9 subsequent purchaser or whether or not the deed
10 of distribution Statute 910 applies.

11 Because contrary to Counsel's assertion,
12 Mr. Steiner was not fully involved in the sale of
13 this property. It happened a year and a half
14 earlier when he was Personal Rep, but then he
15 subsequently -- the Estate was closed.

16 THE COURT: Again, Mr. Massey, what's that
17 got to do with the Master-In-Equity in a case
18 that's been over with for a while?

19 Do your clients want the property? Are they
20 willing to pay anything for the property?

21 MR. MASSEY: Your Honor, they're wanting to
22 keep the property from being sold until this
23 issue is resolved.

24 THE COURT: It's already been sold at a
25 judicial sale, unless I'm confused.

1 MR. PEACE: That's correct, Your Honor.

2 THE COURT: Yeah, it's already been sold at
3 a judicial sale.

4 And because -- now, technically, we have
5 cases come up where people want to keep the
6 property or buy it back. And, quite frankly,
7 with the bank being the new owner, that gives it
8 a little bit of discretion, a little bit of
9 flexibility.

10 Have y'all turned it over to the RM
11 department? Is there a real estate agent
12 marketing the property or anything like that?

13 MR. PEACE: That's what prompted the motion
14 that's before you originally was, you know, my
15 clients trying to actively market the property
16 for sale --

17 THE COURT: Uh-huh (affirmatively responds).

18 MR. PEACE: -- has engaged a real estate
19 agent who's out there trying to sell it.

20 THE COURT: But it's occupied -- but there
21 are people living there, though.

22 MR. PEACE: Right, right.

23 THE COURT: Okay.

24 MR. PEACE: Which prompted us to --

25 MR. MASSEY: Which is the former Defendants.

1 MR. PEACE: -- ask for the writ, yeah.

2 THE COURT: All right. Now, is there any
3 effort, Mr. Massey, on your clients to maybe buy
4 it from the bank or borrow money and, you know,
5 refinance it some kind of way? Is there any
6 effort on that -- in that regard?

7 MR. MASSEY: There is not, Your Honor,
8 and -- there is not.

9 And the reason, again, there's an old little
10 Latin phrase that's applied rarely in South
11 Carolina called "ex mero motu" and it means that
12 whenever you have issues involving children, you
13 can look above procedural defects to ensure that
14 the children are protected.

15 And that's all I'm trying to do is, they didn't
16 learn about this 15, 10 years ago. They just
17 learned about it in March of 2015.

18 THE COURT: They who?

19 MR. MASSEY: These two heirs under the will,
20 okay? My -- the two people I'm representing in
21 this special appearance.

22 THE COURT: Okay.

23 MR. MASSEY: And, actually, three because
24 Tripp is also here as Conservator to the -- his
25 nephew.

1 THE COURT: And how old are the children?

2 MR. MASSEY: One is 17 now. The other two
3 are nine and 12 and they're in Georgetown and
4 their mother is deceased. She was an heir. And
5 I'm communicating with her father for the Probate
6 hearings.

7 But, Judge, again, this is not my field and
8 property -- and I yield to these two fine
9 property attorneys over here. But I think there
10 are some legitimate issues about the title that
11 they have brought up in a timely fashion.

12 And if we sell the property to a
13 third-party, you know, we're just -- they're
14 going to be buying problems. So I'm trying to do
15 everything I can to bring to everyone's attention
16 what's going on.

17 THE COURT: All right. Now, Mr. Peace,
18 what's the listing price of the property?

19 MR. PEACE: Your Honor, I'm not aware. I
20 don't know the answer to that.

21 THE COURT: Okay.

22 MR. PEACE: It's not been shared with me.

23 I know the debt on the property at the time
24 that it was foreclosed on. When it was before
25 you, the number was in the 215 to 220,000-dollar

1 range, was the debt, but what the value of the
2 property is, Judge, I don't know.

3 THE COURT: Okay.

4 MR. PEACE: And, Your Honor, if I can just
5 make a comment.

6 THE COURT: Let Mr. Massey -- he's
7 consulting with his client.

8 All right. He was going to say something.
9 I don't want him to talk while you were
10 consulting with your client.

11 MR. MASSEY: I'm sorry.

12 THE COURT: Y'all finished talking? I mean,
13 you can ...

14 MR. MASSEY: We're good on it. He was just
15 advising me that the original mortgage was -- I
16 think the sales price by Probate was 125. But I
17 think the mortgage was 172?

18 MR. STEINER: That's what you get.

19 MR. PEACE: I think the debt whenever it was
20 foreclosed on was in, like I say, the 215 to 220
21 range.

22 THE COURT: All right. Mr. Massey, is there
23 anybody willing to pay the new owners and have
24 the property -- take the property back? Is that
25 an issue or is it you just want to undue what

1 we've done in this court?

2 MR. MASSEY: None of the heirs are in a
3 position to purchase the property right now, Your
4 Honor, be them individually or as Conservators.

5 They just believe that there was a
6 fraudulent transfer down the line and they're
7 trying to make everyone aware of it and just so
8 everyone's on notice.

9 You know, again, if you foreclosed on it,
10 you know, it could be, you know, everyone's
11 estopped from it at this point.

12 I just want to make certain subsequent
13 purchasers -- I think they've got legitimate
14 arguments against bona fide subsequent purchasers
15 and against -- because they could have told just
16 by looking at the general warranty deed that
17 that's not the way that property should have been
18 distributed.

19 And number two, there's some legitimate
20 issues of whether or not without a deed of
21 distribution any subsequent purchaser like a
22 mortgage company could take it free and clear.

23 THE COURT: I was going to say, you're
24 making it sound like the lenders are victims, as
25 well --

1 MR. MASSEY: They are.

2 THE COURT: -- as a fraudulent transfer.

3 MR. MASSEY: They are, I believe, and I
4 think they would have an argument, at least at
5 the original sale. But they may be estopped on
6 that on the foreclosure, then, because then they
7 became aware of the general warranty deed versus
8 deed of distribution.

9 THE COURT: All right. Mr. Peace, who were
10 the original mortgagors, the original owners of
11 the property, the ones who got the loan that
12 ended up being foreclosed?

13 MR. PEACE: Tamara L. Steiner and Thomas
14 Williams, Jr., Your Honor.

15 THE COURT: They're the original owners of
16 the property and they live there now?

17 MR. PEACE: We understand they still live
18 there, but they were the owners of the property
19 whenever we foreclosed on it.

20 THE COURT: Now, were they -- they were the
21 ones that borrowed the money at that time?

22 MR. PEACE: Yes, yes, yes.

23 THE COURT: They were -- and so where are
24 they today?

25 MR. PEACE: We understand that they're still

1 in the property. That's --

2 THE COURT: But they're not in court today,
3 is what I mean.

4 MR. PEACE: No, no, no, no.

5 THE COURT: So they're not looking for any
6 relief from this Court?

7 MR. PEACE: Not as far as we're aware.

8 THE COURT: Okay.

9 MR. PEACE: Judge, you know, I guess I would
10 add to what Mr. Walker had said and what the
11 Court had said before.

12 I mean, you know, we've gone through a
13 complete foreclosure action. The foreclosure
14 action has essentially concluded.

15 To the extent that these folks have a claim,
16 the claim may be against the Personal
17 Representatives, the claim may be against the
18 lawyers, but it's not against the property.

19 Mr. Walker cited two particular points of
20 law that address that issue specifically. One is
21 the statute -- annotation in the statute that
22 they're relying on. And it says if you take for
23 value, this statute doesn't apply. And certainly
24 our client took for value whenever they loaned
25 the money and they foreclosed on the property.

1 And then the second statute seems, to me,
2 Judge, to hammer the nail in the coffin even
3 deeper saying that the statute that they're
4 relying on doesn't apply again to a mortgagee
5 that takes for value, but ...

6 And, again, you know, kind of the bottom
7 line from our standpoint, Judge, is, we've got
8 the property. The prior action has essentially
9 concluded. To the extent that they've got a
10 complaint, their complaint is against the
11 Personal Representative or the lawyer for the
12 Estate.

13 THE COURT: Uh-huh (affirmatively responds).

14 MR. PEACE: It's not against us and we
15 should be allowed to proceed on.

16 THE COURT: And the next stage is -- next
17 step as far as y'all are concerned is to get the
18 people who live there now --

19 MR. PEACE: Exactly.

20 THE COURT: -- removed from the property?

21 MR. PEACE: So we can get the property sold.

22 THE COURT: All right. And we haven't
23 scheduled that hearing yet?

24 MR. PEACE: That's correct.

25 THE COURT: All right. Mr. Massey, your

1 clients want to be notified when we have a write
2 of assistance hearing?

3 MR. MASSEY: Yes, sir.

4 THE COURT: Okay. Let me ask something
5 else. How -- and, again, if you've already
6 stated this, let me know.

7 How could Mr. Kenneth Steiner and Ms. Amie
8 Seebauer have standing to make a motion to stay a
9 judicial sale in a case where they're not parties
10 to the case and don't live in the property, don't
11 seem to have any interest in the property at all,
12 and they want to stop the -- they want to not
13 only stop, but they want to reverse a sale that's
14 taken place some months ago?

15 MR. MASSEY: Initially, they applied for
16 relief from this Court pro se. They came to me
17 and I said I would come up today when they
18 realized it hadn't been automatically stayed by
19 Probate.

20 Technically, Mr. Walker is correct that they
21 have to make a motion to intervene, the Court has
22 to grant that.

23 Technically, what they're asking this Court
24 to do is like a Rule 60 motion, to take a look at
25 a judgment and decide whether or not it can be

1 vacated based upon either a mistake of fact,
2 newly discovered evidence, or some justified
3 reason. That's why I said ex mero motu, in the
4 interest of children.

5 I really think there's an issue, though,
6 about these statutes about subsequent buyer
7 because I think when you just use the word
8 "instrument," it totally negates the Probate code
9 statute, which is a statute to protect the public
10 and, therefore, it would be voiding as public
11 policy like that.

12 THE COURT: But how do they have standing to
13 make -- even to ask for any relief?

14 MR. MASSEY: Well --

15 THE COURT: They're not parties to the
16 lawsuit.

17 MR. MASSEY: I believe --

18 THE COURT: They don't live in the property.
19 And you're saying that one of the clients is a
20 Conservator of one of the children of the people
21 that actually live in the property.

22 And the people that actually live in the
23 property, who lost the home to foreclosure,
24 aren't here today and --

25 MR. MASSEY: Well, I'd assert these people

1 are heirs of the Estate that actually technically
2 devised the property to the Personal
3 Representative and that they have an interest in
4 the proceeds of any sale of that property.

5 THE COURT: Are they buying the property
6 from the -- from the -- from the --

7 MR. MASSEY: Mortgage lender.

8 THE COURT: -- Sterling Lending Group yet?

9 MR. MASSEY: No, and the reason being is
10 this: If the sale was voidable and then a
11 petition after -- if the Probate Court rules that
12 way, then they'd have standing to file a petition
13 here to perhaps reopen this foreclosure.

14 And then they can come and if they show a
15 bona fide subsequent sale or they show a deed of
16 distribution, subsequent mortgage encumbrance,
17 and they prove that, they're right.

18 But if they, in turn, get up and show, no,
19 it wasn't a bona fide sale because it wasn't fair
20 market value of the property or they should have
21 known that the deed was done improperly, and if
22 the distribution statute doesn't apply, they may
23 have a defense to that. So --

24 THE COURT: A defense to the foreclosure
25 case or a defense -- you know --

1 MR. MASSEY: Well, they may have a right to
2 move to reopen the foreclosure case. Yeah, I
3 think you have one year under Rule 60 if they're
4 a party.

5 What I'm trying to do, Your Honor, is for
6 judicial economy -- I recognize the bank wants
7 their money back. People haven't paid them their
8 note. Okay, I accept that. But I also have
9 people that have lost things which were done what
10 appears to be in violation of the law.

11 And what they're trying to do is protect the
12 Estate, protect the kids, and then come back here
13 and say, you know, they should never have -- my
14 people didn't know about the foreclosure process.

15 THE COURT: But, Mr. Massey, they weren't
16 parties to the case. Why would they have known?
17 If they weren't parties to the case, they weren't
18 being sued, you know --

19 MR. MASSEY: Well --

20 THE COURT: You say they didn't know. Of
21 course they didn't know. They weren't involved.

22 MR. MASSEY: But the issue becomes is this,
23 is Ms. Tammy Steiner and Mr. Thomas, were they
24 the only people that held an interest in that
25 property or did the heirs have an interest, an

1 equitable interest, as well?

2 THE COURT: Well, and --

3 MR. MASSEY: And if they didn't do it
4 properly, it was never transferred properly, the
5 heirs would still have an interest in that --

6 THE COURT: And when -- and when did the
7 heirs find out about this?

8 MR. MASSEY: In March of this year when she
9 became a Personal Representative for another
10 friend.

11 THE COURT: They found out they had an
12 interest to the property that had gone to
13 foreclosure?

14 MR. MASSEY: No, the attorney that she went
15 to when she was talking about selling some of the
16 property to herself so she can give it to the
17 kids and the attorney said, "No, you couldn't do
18 that," and she goes, "You're kidding; that's what
19 my sister did."

20 And that was the first time she found out
21 about it. And then she came to see us a month or
22 so ago, you know, and we sat down and we looked
23 at it, so.

24 THE COURT: So in 2013, your clients didn't
25 know about the foreclosure?

1 MR. MASSEY: I do not believe so. I know in
2 2015, March of this year, that's when Amie found
3 out about the Probate prohibition about a
4 personal representative giving it to themselves
5 without any supervision.

6 THE COURT: Now, doesn't the lis pendens
7 cure that problem, if there was a problem, about
8 them not knowing?

9 MR. MASSEY: It may very well, Your Honor.
10 And I would need more time to look at that and
11 research that issue, but it may very well.

12 THE COURT: Okay. So with the relief you
13 want -- your clients want today, they want to
14 vacate the judicial sale. And based on the fact
15 that they may have had an interest in the
16 property because they're heirs to the property,
17 and they realized only just a few months ago
18 after the foreclosure sale or after the
19 foreclosure process is well underway that they
20 may have had an interest in the property -- and
21 if they had an interest in the property, then
22 somehow -- I'm getting lost, Mr. Massey,
23 because --

24 MR. MASSEY: Well, it's confusing.

25 THE COURT: No, you said they don't want to

1 pay anything, you know, and -- but something's
2 been taken from them. And what they want to do
3 is protect the children.

4 MR. MASSEY: They're saying why should they
5 have to pay for something that was wrongfully
6 taken from them and that's -- that's where they
7 stand. It's an equitable argument.

8 THE COURT: There is a mortgage on the
9 property. You're saying that they don't have --
10 what -- you know, what if I said, "Okay, okay,
11 y'all can have the property." They don't have to
12 pay the mortgage, either, is what you're saying,
13 right, because the property was wrongfully taken
14 from them?

15 MR. MASSEY: Your Honor, I think that then
16 becomes an issue with the title insurance company
17 and the attorney that did the closing.

18 THE COURT: And who did the closing?

19 MR. MASSEY: I do not know.

20 THE COURT: Do y'all know who did the
21 closing?

22 MS. SEEBAUER: I do. It's Ratchford & May.

23 THE COURT: All right. Which attorney did
24 it; do you remember?

25 MS. SEEBAUER: The signature -- based upon

1 the signatures that I've seen, it looks like it
2 was Michael May.

3 THE COURT: Okay. Y'all weren't at the
4 closing?

5 MS. SEEBAUER: I was not at the closing.

6 THE COURT: You weren't aware of the
7 closing?

8 MS. SEEBAUER: No.

9 THE COURT: And you should have been aware
10 of the closing?

11 MS. SEEBAUER: Correct.

12 THE COURT: Why?

13 MS. SEEBAUER: They should have notified us
14 in court that they were -- what they were doing
15 before that transpired. It was supposed to go
16 through court and we didn't hear any of it.

17 THE COURT: Okay. And I want to make sure
18 for clarity of the record, because I'm getting
19 confused. I suspect somebody reading this record
20 down the road might be confused, as well.

21 Mr. Massey, tell me again exactly what your
22 clients want, instead of me trying to figure out
23 what they want.

24 MR. MASSEY: My clients would like the
25 Court -- I guess this would be the bottom line,

1 is to stay any future sale of the property --

2 THE COURT: To a third-party.

3 MR. MASSEY: -- to a third parity.

4 But if they need to eject and they rent the
5 property to mitigate loss of damages -- but at
6 least to allow my clients to litigate in the
7 Probate Court that issue of whether or not it's a
8 voidable transfer.

9 And then once we get that ruling, bring it
10 to this Court. And if they say it's not
11 voidable, then we're gone; it's done. Then they
12 have to bring actions now against these other
13 parties.

14 Or, in the alternative, if the Court says
15 it's voidable, then there might be some issues
16 this Court would have to entertain, whether or
17 not the foreclosure is subject to a Rule 60
18 motion to open and vacate the judgment.

19 THE COURT: Do you have any case law that
20 supports that?

21 MR. MASSEY: I do not, Your Honor. I have
22 not had the opportunity to research.

23 And, again, I've come in here -- they're two
24 doors down from my office. I wanted to help them
25 out. I didn't think they'd be able to go pro se

1 on this issue.

2 And I'm not pretending in any form or
3 fashion to claim I know anywhere near, of course,
4 what you know or these two fine lawyers over
5 here. I just know that something stinks and I've
6 always been taught that if it stinks, at least
7 bring the attention to the Court, and that's what
8 I'm trying to do.

9 THE COURT: Okay. All right.

10 MR. WALKER: Your Honor, just briefly. I
11 mean, I -- I think they've conceded here today
12 that the lender is also in a bad situation to the
13 extent that this was a -- you know, a voidable
14 transfer of property.

15 I think, you know, they can go have their
16 day in court, Probate Court, and ascertain
17 whether it's a voidable transfer of property.
18 But Section 910 clearly shows that it was not an
19 invalid loan or an invalid mortgage on the
20 property. I think that covers the issue here.

21 Now, money was paid to the Personal
22 Representatives. Now, to the extent that should
23 have gone back into the Probate Court and didn't?
24 Sure, that's a Probate issue. To the extent it
25 should have gone to a minor child in the Probate?

1 I think that's a very important issue for us to
2 find out.

3 But, Your Honor, that has nothing to do with
4 the foreclosure sale. It has nothing to do with
5 the validity of the mortgage. They may have an
6 action against the Personal Representatives or
7 the Estate, but that's something that Probate
8 Court here can handle.

9 And that's why we think the mortgage is
10 valid, the foreclosure is valid, the transfer of
11 the sale is valid, and it's not reasonable to
12 restrict property indefinitely until something
13 comes out, unless you can show that the mortgage
14 is invalid.

15 Also, just from a procedural standpoint, I'm
16 not sure that they're properly here on this
17 motion without being a party to it or an
18 intervenor.

19 So I think that clearly shows that the sale
20 should stand and the bank should be allowed to
21 move on with the property that they now own.

22 THE COURT: All right. Mr. Walker, did the
23 original mortgagors file an answer to the summons
24 and complaint?

25 MR. WALKER: Pardon me, Your Honor?

1 THE COURT: Did the original mortgagors file
2 an answer?

3 MR. WALKER: I believe that they were in
4 default.

5 MR. PEACE: That's my recollection.

6 MR. WALKER: We've got a copy of the order.
7 They were in default. They didn't put up a fight
8 and they're not here before us, either. And I --

9 MR. PEACE: Yeah, we -- Judge, we actually
10 didn't handle the foreclosure sale. Gary Rish
11 from over in Lexington handled the foreclosure.

12 And, typically, whenever he's handling the
13 foreclosures for this particular lender, they're
14 uncontested. So I'll conclude by that they were
15 in default.

16 There was one other point, Judge.

17 THE COURT: Yes, sir.

18 MR. PEACE: On the issue of when these folks
19 just found about it, they may have just found out
20 about it in March --

21 THE COURT: Uh-huh (affirmatively responds).

22 MR. PEACE: -- but it's not just when they
23 found out about it. It's not just when you know.
24 It's when you should have known.

25 And this transaction took place in -- that

1 they're complaining about took place in 2008.
2 So, you know, that was -- that was seven years
3 ago.

4 So, you know, clearly, insofar as I'm
5 concerned or my client is concerned, you know,
6 any complaint that they've got that affects me
7 would be barred by the statute of limitations
8 because, again, it's not just when you know, it's
9 also when you should have known. And they are
10 charged with knowledge of the statute and law
11 just the same as anybody else.

12 So I guess we would throw that stone on the
13 pile, too, as additional grounds to allow us to
14 move forward.

15 THE COURT: Okay. Anything else,
16 Mr. Massey?

17 MR. MASSEY: Your Honor, just once again,
18 the only relief we're really seeking right now is
19 to try and get the stay of a subsequent sale to a
20 third-party.

21 If the Court wanted to fashion some type of
22 thing where they can eject and rent it until we
23 could get a decision, that's fine.

24 THE COURT: Mr. Massey, let me ask you, how
25 does that help them, though? It doesn't change

1 their position. The property is already owned by
2 somebody else, meaning the lender. They already
3 own the property.

4 Now, why is keeping them from selling to
5 somebody else is going to help your clients? How
6 is that going to help your clients?

7 MR. MASSEY: All they're trying to do is
8 potentially protect/erase a part of the Estate
9 that was originally devised to all four of the
10 heirs.

11 THE COURT: But it's already gone, is what
12 I'm saying. It's already owned by the lender.
13 And you said all they want to do is stop it from
14 being sold to somebody else. I don't know
15 understand how that helps them at all.

16 MR. MASSEY: Well, Your Honor --

17 THE COURT: You know -- you know, I mean, an
18 injunction against the sale of real estate, I
19 don't know if that's the problem or not. If the
20 Courts, you know ...

21 MR. MASSEY: Well, the Court always looks
22 down upon injunctions or any writs and I'm well
23 aware of that.

24 THE COURT: Yeah.

25 MR. MASSEY: But at the same time, Your

1 Honor, you know, they technically have -- as
2 heirs have some interest in this property if it
3 was sold improperly.

4 And if that being the case, and particularly
5 the child and the other two children of the
6 deceased heir, and -- you know, I think
7 subsequently down the road there's going to be
8 some issues with that.

9 THE COURT: Well, let me -- let me ask you.
10 You've brought the children up several times and
11 Mr. Steiner is here and he's a Conservator for
12 one of the children?

13 MR. MASSEY: Yes, sir.

14 THE COURT: Okay. What role do their
15 parents have in this? If their parents are the
16 mortgagors and the parents didn't respond to the
17 summons and complaint, their parents aren't here
18 today, don't they have role in protecting their
19 own children?

20 MR. MASSEY: They do. But as Conservator of
21 his nephew -- and that's Amie's son --

22 MS. SEEBAUER: Yeah.

23 MR. MASSEY: -- you know, he's got a special
24 fiduciary responsibility to that child. The
25 deceased --

1 THE COURT: I'm sorry, the Conservator --
2 you're Conservator for your child?

3 MS. SEEBAUER: For my child.

4 MR. MASSEY: Right.

5 THE COURT: Not for the child of the people
6 that live in the property?

7 MS. SEEBAUER: No.

8 MR. MASSEY: No, the children --

9 THE COURT: Hold on. So you're saying that
10 your child has a potential interest in this
11 house?

12 MS. SEEBAUER: Yes, sir.

13 MR. WALKER: And you're trying to save it?

14 MR. MASSEY: He was devised \$50,000 directly
15 from the residual of the Estate, which would have
16 been able to have been paid from this sales
17 price.

18 The two children that are living in this
19 house right now would not be taken under the
20 Estate; only their mother would be. The two
21 children in Georgetown, though, are the surviving
22 children of their late sister. And that's why
23 they have an interest.

24 I've contacted the father and asked him to
25 get a Guardian Ad Litem. They'll most likely

1 have to get one for Clifton, as well. And then
2 I'm going to be out of the case because this
3 isn't my specialty, but I suspect it's going to
4 be a pretty messy affair.

5 And, again, I'm sorry to bring this to you.
6 I'm just trying --

7 THE COURT: No, no, no, no. It's not a
8 messy affair, mainly because it's pretty clear.
9 Sterling Lending Group, as agent for Regent Bank,
10 is the owner of the property. That's clear as a
11 bell.

12 But what's unclear, though, is how your
13 clients have a right to come to Court and ask
14 that the sale be set aside. They're not parties
15 to the lawsuit and they don't want to -- they
16 don't want to pay anything to the owner of the
17 property to have the property back.

18 That's -- I mean, that is not messy because
19 the Probate Court is going to decide on their
20 issues one way or the other.

21 MR. MASSEY: Well, I --

22 THE COURT: But what's clear as a bell is
23 that we have an owner here and they have a right
24 to market it and have it sold.

25 And, again, I haven't gotten good answers to

1 how it's going to help your clients to keep them
2 from selling to somebody else.

3 MR. MASSEY: Well --

4 THE COURT: I don't -- how is that going to
5 help them? They don't want to buy it and they
6 don't want anybody else to buy it. You're saying
7 they shouldn't have to buy it because it was
8 theirs to start with.

9 MR. MASSEY: Right. It was wrongfully taken
10 from them.

11 THE COURT: By?

12 MR. MASSEY: By the Personal Representative
13 of the Estate of their late grandfather.

14 THE COURT: Who was?

15 MR. MASSEY: Their sister.

16 THE COURT: Who was the name, please?

17 MR. MASSEY: I'm sorry?

18 THE COURT: I'm trying to get a clear record
19 here. The name of the person who wrongfully took
20 the property from your client?

21 MR. MASSEY: Is Tammy -- Tamara?

22 MR. STEINER: Tamara Steiner.

23 MR. MASSEY: Tamara Steiner.

24 THE COURT: Who lives in the property now?

25 MR. MASSEY: Correct. She was the

1 Personal -- a Co-Personal Representative. The
2 other Co-Personal Representative is deceased.

3 THE COURT: And what was the name?

4 MR. MASSEY: And her name was Laurie
5 Steiner.

6 THE COURT: Okay. Now --

7 MR. MASSEY: She had two children that would
8 take under the last will and testament of the
9 grandfather.

10 Again, I think there's an issue whether or
11 not there was a bona fide sale in '08, whether or
12 not the mortgage lender -- you know, not just
13 relying upon the attorney, but whether they
14 should have known on their own, and subsequently
15 the foreclosure, whoever did that, should have
16 also probably picked up that it was not done by
17 deed of distribution.

18 And I just really think the language in 910
19 about "any instrument," you could make a
20 legitimate argument that it's void against public
21 policy, because it totally negates the Probate
22 statute that tries to avoid this conflict and
23 where people gets their hands on things they
24 shouldn't have, so.

25 Your Honor, I --

1 THE COURT: And so you're -- okay. I want
2 to make sure I understand your position before I
3 rule.

4 You're saying -- you're saying that the
5 person that took out the mortgage, that actually
6 borrowed the money, wrongfully disposed of the
7 property or wrongfully acquired or wrongfully
8 took something that belongs to your clients;
9 therefore, the foreclosure sale should be set
10 aside and, in the alternative, that the new
11 owners of the property, the lenders, shouldn't be
12 allowed to sell it to anybody else. Does that
13 sum up your position?

14 MR. MASSEY: Not necessarily. The issue is
15 that they contest whether or not the original
16 mortgage had clean hands because they should have
17 known that it was an improper transfer on the
18 face --

19 THE COURT: All right. They who?

20 MR. MASSEY: -- of the deed.

21 THE COURT: They should have known?

22 MR. MASSEY: Whoever the financial
23 institution was that lent the money for the
24 purchase of the house.

25 THE COURT: And so you're saying the lender

1 had unclean hands?

2 MR. MASSEY: Yes, sir.

3 THE COURT: They did something wrong by
4 lending money to the people that live -- that
5 bought the property?

6 MR. MASSEY: Correct, because the lender
7 should have known -- knew or should have known
8 that to get property from an Estate, it has to be
9 done by deed of distribution when the Personal
10 Representative is giving it to themselves.

11 THE COURT: So --

12 MR. MASSEY: And so --

13 THE COURT: -- how did they -- how did they
14 profit from this, Mr. Massey? They lent money to
15 somebody --

16 MR. MASSEY: Your Honor --

17 THE COURT: -- who unfortunately couldn't
18 pay the mortgage.

19 MR. MASSEY: I don't think they are and I
20 think they are a victim in this, as well.

21 THE COURT: But you just said they had
22 unclean hands --

23 MR. MASSEY: Well --

24 THE COURT: -- by lending the money to the
25 mortgagor.

1 MR. MASSEY: Well, again, I don't deal with
2 mortgage transactions, but I know at that time of
3 history, around '06, '07, '08, mortgages were
4 flying around and people were doing them left and
5 right and most of them -- a lot of them went
6 under.

7 I don't know if the banks or the mortgage
8 institutions were using due diligence and I think
9 that's an argument my clients could make, that
10 they should not have loaned the money.

11 And then they should not have been -- they
12 shouldn't have loaned it in the first place and
13 they violated some federal statute. There may
14 very well be a specific federal statute
15 pertaining to a loan that's void as against
16 public policy, but I don't know. I haven't had
17 time to research that.

18 So, again, my beef is not with the mortgage
19 company as much as it is if the sale was never
20 proper in the first place.

21 THE COURT: Your beef would have to be with
22 the mortgage company because they're the owners
23 now. And they're the ones -- if I set aside the
24 sale, then they're out of luck as far as the
25 money they lent to the original borrowers.

1 If I set aside the sale, the people that
2 live there now can stay there indefinitely. You
3 know, if I set aside the sale, they have no
4 remedy because you say the property was
5 transferred invalidly and mortgaged improperly
6 back in 2008, so.

7 MR. MASSEY: Again, and we would propose --

8 THE COURT: So you have to have -- you must
9 have a beef with them. And you're trying to ask
10 that they don't be allowed to even transfer the
11 property and that's a problem for them, as well.

12 MR. MASSEY: Well, the proposal would be
13 this, then, okay? That they don't move to set
14 aside the sale. What they want to do right now
15 is to stay any subsequent sale until the Probate
16 Court determines --

17 THE COURT: Yeah, you said that. You -- I'm
18 sorry, go ahead.

19 MR. MASSEY: And you could eject the people
20 that are in there right now and the bank could
21 maybe mitigate any losses during that time by
22 renting out the property.

23 THE COURT: That's the kind of thing,
24 though -- Mr. Peace, Mr. Walker, y'all can take
25 that to your client and maybe y'all can work

1 something out; you know, maybe you can. But as
2 far as today, this motion is concerned today, I'm
3 going to deny the motion.

4 MR. MASSEY: Okay.

5 THE COURT: If you'll submit a proposed
6 order to that effect, then we'll take it from
7 there.

8 And, of course, I'm not the last word,
9 necessarily, so take it either to Probate or the
10 Appellate Courts, I guess.

11 MR. MASSEY: We appreciate you taking the
12 time to hear us.

13 THE COURT: Oh, sure, I don't mind. It's an
14 interesting issue.

15 MR. MASSEY: Just trying to peel through the
16 onion right now.

17 THE COURT: Oh, no trouble.

18 MR. MASSEY: And I haven't had an
19 opportunity to really look at all the facts in
20 this case.

21 THE COURT: All right.

22 MR. WALKER: Thank you, Your Honor.

23 THE COURT: All right. No problem.

24 MR. PEACE: Judge, I've got a copy of my
25 petition and the proposed Rule to Show Cause here

1 with me today. Can we get a hearing scheduled?

2 THE COURT: For the eviction?

3 MR. PEACE: For the eviction.

4 THE COURT: Let me look at your order -- let
5 me sign the order first and then maybe have a
6 cover letter explaining to me that I said hold
7 that scheduling in abeyance until I sign the
8 order. Can you get me the order within a week or
9 so?

10 MR. PEACE: Yeah. We'll have it to you
11 promptly, Judge. We really need to move forward
12 with --

13 THE COURT: All right. And, Mr. Massey,
14 what he's asking for is that we go ahead and set
15 a hearing date for the eviction.

16 MR. MASSEY: Yes, sir.

17 THE COURT: And, you know, y'all are going
18 to be notified of that --

19 MR. MASSEY: Thank you, Your Honor.

20 THE COURT: -- even though you're not
21 parties.

22 MS. SEEBAUER: Thank you.

23 THE COURT: All right. Is that okay? You
24 don't have a problem with that?

25 MR. PEACE: No.

1 THE COURT: They don't have a problem. All
2 right.

3 MR. MASSEY: Good to see you again, Judge.

4 THE COURT: All right. Thank you.

5 MR. WALKER: Thank you, Judge.

6 (There being nothing further, the hearing
7 concluded at 2:51 p.m.)
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1 CERTIFICATE OF REPORTER

2
3 I, Cassandra E. Vance, Court Reporter and
4 Notary Public in and for the State of South
5 Carolina, do hereby certify that I reported the
6 motion hearing of Sterling Lending Group v.
7 Tamara L. Steiner, et al, on the 10th day of
8 September, 2015.

9 I further certify that I am neither attorney
10 nor counsel for, nor related to or employed by,
11 any of the parties connected with this action,
12 nor am I financially interested in said cause.

13 IN WITNESS WHEREOF, I have hereunto set my
14 hand and seal this 17th day of September 2015.
15
16

17
18 Cassandra E. Vance, Court Reporter
19 Notary Public for South Carolina

20 My commission expires: 2-26-2018
21
22
23
24
25

P R O C E E D I N G S

1 (Pages 1 to 4)

Page 1

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
Sterling Lending Group,

Plaintiff,

vs.

Tamara L. Steiner, et al,

Defendants.

MOTION HEARING *****

Thursday, September 10, 2015
2:00 p.m. - 2:51 p.m

The hearing before the Honorable Joseph M. Strickland was held at the Richland County Judicial Center, 1701 Main Street, Courtroom 2D, Columbia, South Carolina, on the 10th day of September, 2015 before Cassandra E. Vance, Court Reporter and Notary Public in and for the State of South Carolina.

Page 3

1 THE COURT: All right. This is Civil Action
2 No. 2013-CP-40-5959, Sterling Lending Group
3 against Tamara Steiner and others.
4 Our notes indicate this hearing is on a
5 Motion to Vacate the judicial sale that took
6 place months ago. Are we all on the same page?
7 MR. MASSEY: May it please --
8 THE COURT: Mr. Massey?
9 MR. MASSEY: -- the Court, Your Honor. I'm
10 David Massey. I'm here on special appearance for
11 Mr. Tripp Steiner. He's my office neighbor and
12 came to me and showed me a little bit of this.
13 And I said, "You've got a Probate issue
14 because you're a Conservator of a minor and there
15 was an error taken in this Estate," and that's
16 why I got him started in Probate.
17 And I said, "All I think you can do with the
18 Master-In-Equity, you can, perhaps, at least
19 inform the Court and move for a stay of the
20 foreclosure proceeding," or it -- it would be a
21 Rule 60, I guess, to vacate it, but --
22 THE COURT: But it's over. It's been over
23 for a while; that's the problem.
24 MR. MASSEY: Yes, sir.
25 THE COURT: Your clients can come around and

Page 2

1 APPEARANCES:
2 Andrew B. Walker, Esquire
3 Rogers, Lewis, Jackson, Mann & Quinn, LLC
4 Post Office Box 11803
5 1330 Lady Street, Suite 400
6 Columbia, South Carolina 29211
7 Attorney for the Plaintiff
8
9 M. Alan Peace, Esquire
10 Tyler, Cassell, Jackson, Peace & Silver, LLC
11 1331 Elmwood Avenue, Suite 300
12 Columbia, South Carolina 29201
13 Co-counsel for the Plaintiff
14
15 David E. Massey, Esquire
16 Law Offices of David Massey
17 1620 Gervais Street, Suite A
18 Columbia, South Carolina 29201
19 Attorney for Tripp Steiner
20
21 ALSO PRESENT:
22 Tripp Steiner
23 Amie Seebauer

13 INDEX PAGE
14 Certificate.....50

15 EXHIBITS PAGE
16 (There were no exhibits marked during the hearing.)
17 STIPULATIONS
18 It is stipulated and agreed that this
19 hearing is being held pursuant to the South
20 Carolina Rules of Civil Procedure.
21
22
23
24
25

Page 4

1 sit up here, if they'd like.
2 And the Court Reporter knows everybody's
3 name? Do you know everyone's name?
4 THE COURT REPORTER: Except for the female.
5 THE COURT: Oh, I'm sorry.
6 MS. SEEBAUER: Amie Seebauer.
7 MR. MASSEY: Seebauer.
8 THE COURT: Ms. Seebauer.
9 MS. SEEBAUER: A-M-I-E.
10 THE COURT: Okay.
11 MR. MASSEY: And, again, Your Honor, we're
12 concerned that there may have been a problem in
13 the sale that occurred from the Estate to the
14 Personal Representative of the Estate in 2008,
15 which was done by a general warranty deed rather
16 than by a deed of distribution.
17 THE COURT: Why would that be a problem?
18 MR. MASSEY: Well, we believe that that is a
19 sale that can be invalidated by a specific
20 Probate code that states that a personal
21 representative cannot sell themselves property
22 unless the will expressly provides for it or a
23 court orders it or the other heirs consent to it.
24 And none of those three criteria were met in this
25 case.

Page 5

1 And they came down to my office a couple of
2 months ago to show me that and I said, "From
3 first glance of the statute, it looks like you're
4 right. The problem is, the cows have gotten out
5 of the barn and they've gone on to a different
6 place."

7 And they mentioned that the property has
8 been foreclosed upon. And I stated, "You'll need
9 to consult an attorney after this hearing today
10 about whether or not the real estate lawyer that
11 conveyed it by general warranty deed rather than
12 a deed of distribution has some issues."

13 But I also said, "You need to at least bring
14 it to the attention of the Court, because if this
15 property gets sold down the line, then the
16 Probate Court may invalidate the transaction
17 itself and it'd be too late."

18 THE COURT: Uh-huh (affirmatively responds).

19 MR. MASSEY: So I'm just trying to
20 preserve -- particularly for Tripp, because he's
21 a Conservator of a minor of the Estate, and now
22 the Estate assets, it's my understanding, that
23 were paid as a result of the 2008 sale are gone
24 and unaccounted for.

25 And so, again, this is not my realm and you

Page 7

1 this is seven years stale.

2 With that said, the lender, who enabled the
3 2008 sale, has now foreclosed on their defaulting
4 borrowers, as Your Honor well knows; you handled
5 that matter.

6 Foreclosure has been ordered, a
7 Master-In-Equity's deed has been signed by Your
8 Honor, and we're here to get the tenants out of
9 the premises and that property belongs to the
10 bank, Your Honor.

11 The Movants -- who are not a party to this
12 case. They've not moved to intervene. I don't
13 know that they're properly here from a procedural
14 standpoint -- have raised a statute that they
15 think may void that 2008 transaction.

16 Your Honor, I think if we got into the weeds,
17 we would see that Mr. Steiner, who was
18 very -- that's here today and the Movant -- was
19 very involved in selling that property, that when
20 he was the Personal Representative of the Estate,
21 he approved the purchase price.

22 We would also see that the Court, the
23 Probate Court, knew about it. That's why it's
24 still open today. And they had approved that
25 purchase price. And we think things were done

Page 6

1 know that. We've known each other a long, long
2 time.

3 THE COURT: Uh-huh (affirmatively responds).

4 MR. MASSEY: And if it's foreclosed, it's
5 gone. But at the same time, I would think the
6 Court, out of judicial economy, may want to look
7 at this thing or may wait for the Probate to
8 determine if it's invalid.

9 Because, otherwise, we're going to have an
10 issue on this title down the road, whether or not
11 it was a bona fide subsequent sale or whether or
12 not someone took subsequently due to a deed of
13 distribution.

14 THE COURT: All right. Mr. Peace?

15 MR. PEACE: I think it's Mr. Walker's case.

16 THE COURT: I'm sorry, go ahead. I'm sorry,
17 I forgot your name.

18 MR. WALKER: Drew Walker, Your Honor.

19 THE COURT: All right. Mr. Walker, go
20 ahead.

21 MR. WALKER: Thank you. May it please the
22 Court. Your Honor, this is a 2000 Estate. The
23 decedent in this died 15 years ago. The deed out
24 of the Estate that was executed by both Personal
25 Representatives was in 2008, Your Honor, and so

Page 8

1 aboveboard with everybody and knowing about that
2 within the Probate Court.

3 I want to bring to the Court's attention a
4 very particular statute that I think opens and
5 closes this case and the argument. Your Honor, I
6 have the statute with me that the Movants here
7 cite.

8 Very importantly in the reporter's comment,
9 it says that "The general principles of law
10 pertaining to bona fide purchasers for value" --
11 which I think would also pertain to my client as
12 a bona fide mortgagee for value -- "will protect
13 the title of property in the hands of such a
14 purchaser or mortgagee" -- I'm paraphrasing --
15 "who obtained it without notice of the conflict
16 of interest of self-dealing."

17 And, Your Honor, also very importantly,
18 Title 62, Chapter 3, Section 910 puts this into
19 very clear focus. And I apologize, I don't have
20 a copy of that. I do have --

21 THE COURT: It's from the Probate code?

22 MR. WALKER: It is from the Probate code. I
23 have that -- I have it on my phone. I'll be
24 happy to either read it to the Court or if the
25 Court would indulge me, I could send you a copy

Page 9

1 afterwards.
2 THE COURT: No, just tell me what it says.
3 MR. WALKER: It clearly states that a
4 mortgagee, even when a PR makes a distribution to
5 himself or herself, whether it's aboveboard or
6 not, is for value without notice and that cannot
7 be undone. The language cannot be any clearer.
8 It says that it can be through an instrument
9 or a deed of distribution. This was through a
10 general warranty deed, which is an instrument.
11 And it says that the mortgagee is not required to
12 inquire with the PR, even if the PR is
13 distributing the property to itself.
14 It's clearly put in the code by our
15 Legislature to protect lenders, like our client
16 here, Your Honor, that made such a loan which
17 allowed the funds for this Probate to be cleared
18 up.
19 Now, I'm hearing today that they don't know
20 where the \$125,000 went. It should have gone
21 into the Estate. But no matter what, a loan was
22 made based on that belief and under the
23 protection of Section 910, Your Honor.
24 THE COURT: All right. Now, your client
25 owns the property now.

Page 11

1 hearing?
2 MR. PEACE: No, Judge. We had sent over the
3 petition and the Rule back at the end of June
4 asking for a hearing to be scheduled, but it's
5 not been scheduled yet. But the petition and the
6 Rule has been pending in your office now since
7 the end of June.
8 THE COURT: Okay. And, Mr. Massey, that's a
9 fancy word we use to distinguish between eviction
10 of the Magistrate. But a writ of assistance
11 hearing is simply an eviction notice and the new
12 owners of the property after foreclosure have the
13 right to ask for that and sometimes they'll even
14 give them -- you know, they don't take that long.
15 Here, we make them have another hearing.
16 Now, on the other hand, Mr. Peace, your
17 client owns the property. That gives you a
18 little bit of flexibility.
19 Mr. Massey, your clients want the property
20 back or what do they want?
21 MR. MASSEY: Your Honor, what they want,
22 first of all, is have the Probate Court determine
23 one thing, first of all, whether or not they can
24 bring this up in lieu of any statute of
25 limitations.

Page 10

1 MR. WALKER: Yes.
2 THE COURT: Your client has a deed. The
3 deed has been recorded, I take it?
4 MR. WALKER: They did.
5 THE COURT: Who actually -- is it a house or
6 a condo? What kind of building is it?
7 MR. WALKER: I believe it's a primary
8 residence, single-family home.
9 THE COURT: Are people living there now?
10 MR. WALKER: I believe that the Defendants
11 that were foreclosed upon are pending there. I
12 think Mr. Peace has a Rule to Show Cause as to
13 why they shouldn't be forced to vacate.
14 THE COURT: What are the names of the people
15 that live there now?
16 MR. WALKER: I believe it's Tamara Steiner
17 and Mr. Williams --
18 MR. PEACE: Mr. Williams, Thomas Williams.
19 MR. WALKER: -- the Defendants in the
20 foreclosure action.
21 THE COURT: And they live in the property
22 now? They live in the property?
23 MR. PEACE: That's what we understand.
24 THE COURT: Okay. Because I think we -- had
25 we already scheduled the writ of assistance.

Page 12

1 And then, number two, was the transfer from
2 a Personal Representative to herself a violation
3 of the Probate code Section 62-2-713 --
4 THE COURT: Uh-huh (affirmatively responds).
5 MR. MASSEY: -- which requires either a
6 court order, expressly in the will, or consent of
7 the parties?
8 None of those occurred in this case. So if
9 they can present evidence -- and if the Probate
10 Court then says it is a voidable sale, and
11 particularly voidable because it was done by
12 general warranty deed, and that it should have
13 been done by deed of distribution.
14 And that's why the Probate judge after all
15 these minor children's Guardians Ad Litem get
16 sufficient notice and the woman that's in the
17 house -- their sister that's in the house right
18 now with her boyfriend -- have a chance to get
19 attorneys because there could be some serious
20 issues involved in this.
21 THE COURT: At this point --
22 MR. MASSEY: Then a court -- if they void
23 the sale and the Probate Court determines it's
24 not in violation of any statute of limitations to
25 bring it up, then I think that that would grant

Page 13

1 two issues. Number one, Section -- and I don't
2 have my glasses. --
3 THE COURT: Yes, sir.
4 MR. MASSEY: -- but it's whichever one you
5 mentioned on 910 of the Probate Court --
6 62-3-910. The question then becomes -- we know
7 there was no deed of distribution. Then the
8 question becomes -- we're using ambiguous
9 terms -- some kind of instrument, a general
10 warranty deed.
11 But I would argue that's against public
12 policy, because it totally goes against Title
13 62-2-713 which says no personal representative --
14 this statute was made to stop conflicts of
15 interest and you can't do it that way. You have
16 to abide by 62-2-713.
17 THE COURT: All right. Mr. Massey, tell me
18 how anything you said has anything to do with the
19 foreclosure action that was filed in this Court
20 in 2013 that's over with?
21 You know, I understand everything you said.
22 I understand that. I don't understand how --
23 MR. MASSEY: Here's what --
24 THE COURT: -- why you're before me now
25 saying that the Probate Court has to make a

Page 15

1 MR. MASSEY: And we're going to probably be
2 looking down the road at a title insurance issue.
3 We're probably going to be looking at some
4 professional liability issues.
5 What I'm trying to do is, just arguing judicial
6 economy, if we give the financial institution
7 back the property, where there are still issues
8 outstanding whether or not it's a bona fide
9 subsequent purchaser or whether or not the deed
10 of distribution Statute 910 applies.
11 Because contrary to Counsel's assertion,
12 Mr. Steiner was not fully involved in the sale of
13 this property. It happened a year and a half
14 earlier when he was Personal Rep, but then he
15 subsequently -- the Estate was closed.
16 THE COURT: Again, Mr. Massey, what's that
17 got to do with the Master-In-Equity in a case
18 that's been over with for a while?
19 Do your clients want the property? Are they
20 willing to pay anything for the property?
21 MR. MASSEY: Your Honor, they're wanting to
22 keep the property from being sold until this
23 issue is resolved.
24 THE COURT: It's already been sold at a
25 judicial sale, unless I'm confused.

Page 14

1 decision on a transaction that happened nine
2 years ago.
3 Was it nine years ago? See, my math is bad,
4 as well.
5 MR. MASSEY: And, again, I don't have it in
6 front of me, either.
7 THE COURT: It's been quite a few years
8 ago -- and how that would affect the case because
9 that doesn't void the mortgage on the property,
10 does it?
11 MR. MASSEY: Right. And, again --
12 THE COURT: I mean, who's going to pay --
13 who's supposed to pay the mortgage back down --
14 MR. MASSEY: I'm making, again, a special
15 appearance because I want to make certain the
16 minor involved in this case is protected; Tripp,
17 as his Conservator.
18 Your Honor, there's going to be an issue of
19 whether or not the 2008 closing attorney did
20 something he should not have done and that will
21 be for the judge over there and whatever lawyer
22 they retain --
23 THE COURT: I was going to say, the
24 Probate -- I'm sure the Probate judge will deal
25 with it appropriately.

Page 16

1 MR. PEACE: That's correct, Your Honor.
2 THE COURT: Yeah, it's already been sold at
3 a judicial sale.
4 And because -- now, technically, we have
5 cases come up where people want to keep the
6 property or buy it back. And, quite frankly,
7 with the bank being the new owner, that gives it
8 a little bit of discretion, a little bit of
9 flexibility.
10 Have y'all turned it over to the RM
11 department? Is there a real estate agent
12 marketing the property or anything like that?
13 MR. PEACE: That's what prompted the motion
14 that's before you originally was, you know, my
15 clients trying to actively market the property
16 for sale --
17 THE COURT: Uh-huh (affirmatively responds).
18 MR. PEACE: -- has engaged a real estate
19 agent who's out there trying to sell it.
20 THE COURT: But it's occupied -- but there
21 are people living there, though.
22 MR. PEACE: Right, right.
23 THE COURT: Okay.
24 MR. PEACE: Which prompted us to --
25 MR. MASSEY: Which is the former Defendants.

Page 17

1 MR. PEACE: -- ask for the writ, yeah.
2 THE COURT: All right. Now, is there any
3 effort, Mr. Massey, on your clients to maybe buy
4 it from the bank or borrow money and, you know,
5 refinance it some kind of way? Is there any
6 effort on that -- in that regard?
7 MR. MASSEY: There is not, Your Honor,
8 and -- there is not.
9 And the reason, again, there's an old little
10 Latin phrase that's applied rarely in South
11 Carolina called "ex mero motu" and it means that
12 whenever you have issues involving children, you
13 can look above procedural defects to ensure that
14 the children are protected.
15 And that's all I'm trying to do is, they didn't
16 learn about this 15, 10 years ago. They just
17 learned about it in March of 2015.
18 THE COURT: They who?
19 MR. MASSEY: These two heirs under the will,
20 okay? My -- the two people I'm representing in
21 this special appearance.
22 THE COURT: Okay.
23 MR. MASSEY: And, actually, three because
24 Tripp is also here as Conservator to the -- his
25 nephew.

Page 18

1 THE COURT: And how old are the children?
2 MR. MASSEY: One is 17 now. The other two
3 are nine and 12 and they're in Georgetown and
4 their mother is deceased. She was an heir. And
5 I'm communicating with her father for the Probate
6 hearings.
7 But, Judge, again, this is not my field and
8 property -- and I yield to these two fine
9 property attorneys over here. But I think there
10 are some legitimate issues about the title that
11 they have brought up in a timely fashion.
12 And if we sell the property to a
13 third-party, you know, we're just -- they're
14 going to be buying problems. So I'm trying to do
15 everything I can to bring to everyone's attention
16 what's going on.
17 THE COURT: All right. Now, Mr. Peace,
18 what's the listing price of the property?
19 MR. PEACE: Your Honor, I'm not aware. I
20 don't know the answer to that.
21 THE COURT: Okay.
22 MR. PEACE: It's not been shared with me.
23 I know the debt on the property at the time
24 that it was foreclosed on. When it was before
25 you, the number was in the 215 to 220,000-dollar

Page 19

1 range, was the debt, but what the value of the
2 property is, Judge, I don't know.
3 THE COURT: Okay.
4 MR. PEACE: And, Your Honor, if I can just
5 make a comment.
6 THE COURT: Let Mr. Massey -- he's
7 consulting with his client.
8 All right. He was going to say something.
9 I don't want him to talk while you were
10 consulting with your client.
11 MR. MASSEY: I'm sorry.
12 THE COURT: Y'all finished talking? I mean,
13 you can ...
14 MR. MASSEY: We're good on it. He was just
15 advising me that the original mortgage was -- I
16 think the sales price by Probate was 125. But I
17 think the mortgage was 172.
18 MR. STEINER: That's what you get.
19 MR. PEACE: I think the debt whenever it was
20 foreclosed on was in, like I say, the 215 to 220
21 range.
22 THE COURT: All right. Mr. Massey, is there
23 anybody willing to pay the new owners and have
24 the property -- take the property back? Is that
25 an issue or is it you just want to undue what

Page 20

1 we've done in this court?
2 MR. MASSEY: None of the heirs are in a
3 position to purchase the property right now, Your
4 Honor, be them individually or as Conservators.
5 They just believe that there was a
6 fraudulent transfer down the line and they're
7 trying to make everyone aware of it and just so
8 everyone's on notice.
9 You know, again, if you foreclosed on it,
10 you know, it could be, you know, everyone's
11 estopped from it at this point.
12 I just want to make certain subsequent
13 purchasers -- I think they've got legitimate
14 arguments against bona fide subsequent purchasers
15 and against -- because they could have told just
16 by looking at the general warranty deed that
17 that's not the way that property should have been
18 distributed.
19 And number two, there's some legitimate
20 issues of whether or not without a deed of
21 distribution any subsequent purchaser like a
22 mortgage company could take it free and clear.
23 THE COURT: I was going to say, you're
24 making it sound like the lenders are victims, as
25 well --

Page 21

1 MR. MASSEY: They are.
2 THE COURT: -- as a fraudulent transfer.
3 MR. MASSEY: They are, I believe, and I
4 think they would have an argument, at least at
5 the original sale. But they may be estopped on
6 that on the foreclosure, then, because then they
7 became aware of the general warranty deed versus
8 deed of distribution.
9 THE COURT: All right. Mr. Peace, who were
10 the original mortgagors, the original owners of
11 the property, the ones who got the loan that
12 ended up being foreclosed?
13 MR. PEACE: Tamara L. Steiner and Thomas
14 Williams, Jr., Your Honor.
15 THE COURT: They're the original owners of
16 the property and they live there now?
17 MR. PEACE: We understand they still live
18 there, but they were the owners of the property
19 whenever we foreclosed on it.
20 THE COURT: Now, were they -- they were the
21 ones that borrowed the money at that time?
22 MR. PEACE: Yes, yes, yes.
23 THE COURT: They were -- and so where are
24 they today?
25 MR. PEACE: We understand that they're still

Page 23

1 And then the second statute seems, to me,
2 Judge, to hammer the nail in the coffin even
3 deeper saying that the statute that they're
4 relying on doesn't apply again to a mortgagee
5 that takes for value, but ...
6 And, again, you know, kind of the bottom
7 line from our standpoint, Judge, is, we've got
8 the property. The prior action has essentially
9 concluded. To the extent that they've got a
10 complaint, their complaint is against the
11 Personal Representative or the lawyer for the
12 Estate.
13 THE COURT: Uh-huh (affirmatively responds).
14 MR. PEACE: It's not against us and we
15 should be allowed to proceed on.
16 THE COURT: And the next stage is -- next
17 step as far as y'all are concerned is to get the
18 people who live there now --
19 MR. PEACE: Exactly.
20 THE COURT: -- removed from the property?
21 MR. PEACE: So we can get the property sold.
22 THE COURT: All right. And we haven't
23 scheduled that hearing yet?
24 MR. PEACE: That's correct.
25 THE COURT: All right. Mr. Massey, your

Page 22

1 in the property. That's --
2 THE COURT: But they're not in court today,
3 is what I mean.
4 MR. PEACE: No, no, no, no.
5 THE COURT: So they're not looking for any
6 relief from this Court?
7 MR. PEACE: Not as far as we're aware.
8 THE COURT: Okay.
9 MR. PEACE: Judge, you know, I guess I would
10 add to what Mr. Walker had said and what the
11 Court had said before.
12 I mean, you know, we've gone through a
13 complete foreclosure action. The foreclosure
14 action has essentially concluded.
15 To the extent that these folks have a claim,
16 the claim may be against the Personal
17 Representatives, the claim may be against the
18 lawyers, but it's not against the property.
19 Mr. Walker cited two particular points of
20 law that address that issue specifically. One is
21 the statute -- annotation in the statute that
22 they're relying on. And it says if you take for
23 value, this statute doesn't apply. And certainly
24 our client took for value whenever they loaned
25 the money and they foreclosed on the property.

Page 24

1 clients want to be notified when we have a write
2 of assistance hearing?
3 MR. MASSEY: Yes, sir.
4 THE COURT: Okay. Let me ask something
5 else. How -- and, again, if you've already
6 stated this, let me know.
7 How could Mr. Kenneth Steiner and Ms. Amie
8 Seebauer have standing to make a motion to stay a
9 judicial sale in a case where they're not parties
10 to the case and don't live in the property, don't
11 seem to have any interest in the property at all,
12 and they want to stop the -- they want to not
13 only stop, but they want to reverse a sale that's
14 taken place some months ago?
15 MR. MASSEY: Initially, they applied for
16 relief from this Court pro se. They came to me
17 and I said I would come up today when they
18 realized it hadn't been automatically stayed by
19 Probate.
20 Technically, Mr. Walker is correct that they
21 have to make a motion to intervene, the Court has
22 to grant that.
23 Technically, what they're asking this Court
24 to do is like a Rule 60 motion, to take a look at
25 a judgment and decide whether or not it can be

Page 25

1 vacated based upon either a mistake of fact,
2 newly discovered evidence, or some justified
3 reason. That's why I said ex mero motu, in the
4 interest of children.

5 I really think there's an issue, though,
6 about these statutes about subsequent buyer
7 because I think when you just use the word
8 "instrument," it totally negates the Probate code
9 statute, which is a statute to protect the public
10 and, therefore, it would be voiding as public
11 policy like that.

12 THE COURT: But how do they have standing to
13 make -- even to ask for any relief?

14 MR. MASSEY: Well --

15 THE COURT: They're not parties to the
16 lawsuit.

17 MR. MASSEY: I believe --

18 THE COURT: They don't live in the property.
19 And you're saying that one of the clients is a
20 Conservator of one of the children of the people
21 that actually live in the property.

22 And the people that actually live in the
23 property, who lost the home to foreclosure,
24 aren't here today and --

25 MR. MASSEY: Well, I'd assert these people

Page 27

1 MR. MASSEY: Well, they may have a right to
2 move to reopen the foreclosure case. Yeah, I
3 think you have one year under Rule 60 if they're
4 a party.

5 What I'm trying to do, Your Honor, is for
6 judicial economy -- I recognize the bank wants
7 their money back. People haven't paid them their
8 note. Okay, I accept that. But I also have
9 people that have lost things which were done what
10 appears to be in violation of the law.

11 And what they're trying to do is protect the
12 Estate, protect the kids, and then come back here
13 and say, you know, they should never have -- my
14 people didn't know about the foreclosure process.

15 THE COURT: But, Mr. Massey, they weren't
16 parties to the case. Why would they have known?
17 If they weren't parties to the case, they weren't
18 being sued, you know --

19 MR. MASSEY: Well --

20 THE COURT: You say they didn't know. Of
21 course they didn't know. They weren't involved.

22 MR. MASSEY: But the issue becomes is this,
23 is Ms. Tammy Steiner and Mr. Thomas, were they
24 the only people that held an interest in that
25 property or did the heirs have an interest, an

Page 26

1 are heirs of the Estate that actually technically
2 devised the property to the Personal
3 Representative and that they have an interest in
4 the proceeds of any sale of that property.

5 THE COURT: Are they buying the property
6 from the -- from the -- from the --

7 MR. MASSEY: Mortgage lender.

8 THE COURT: -- Sterling Lending Group yet?

9 MR. MASSEY: No, and the reason being is
10 this: If the sale was voidable and then a
11 petition after -- if the Probate Court rules that
12 way, then they'd have standing to file a petition
13 here to perhaps reopen this foreclosure.

14 And then they can come and if they show a
15 bona fide subsequent sale or they show a deed of
16 distribution, subsequent mortgage encumbrance,
17 and they prove that, they're right.

18 But if they, in turn, get up and show, no,
19 it wasn't a bona fide sale because it wasn't fair
20 market value of the property or they should have
21 known that the deed was done improperly, and if
22 the distribution statute doesn't apply, they may
23 have a defense to that. So --

24 THE COURT: A defense to the foreclosure
25 case or a defense -- you know --

Page 28

1 equitable interest, as well?

2 THE COURT: Well, and --

3 MR. MASSEY: And if they didn't do it
4 properly, it was never transferred properly, the
5 heirs would still have an interest in that --

6 THE COURT: And when -- and when did the
7 heirs find out about this?

8 MR. MASSEY: In March of this year when she
9 became a Personal Representative for another
10 friend.

11 THE COURT: They found out they had an
12 interest to the property that had gone to
13 foreclosure?

14 MR. MASSEY: No, the attorney that she went
15 to when she was talking about selling some of the
16 property to herself so she can give it to the
17 kids and the attorney said, "No, you couldn't do
18 that," and she goes, "You're kidding; that's what
19 my sister did."

20 And that was the first time she found out
21 about it. And then she came to see us a month or
22 so ago, you know, and we sat down and we looked
23 at it, so.

24 THE COURT: So in 2013, your clients didn't
25 know about the foreclosure?

Page 29

1 MR. MASSEY: I do not believe so. I know in
2 2015, March of this year, that's when Amie found
3 out about the Probate prohibition about a
4 personal representative giving it to themselves
5 without any supervision.
6 THE COURT: Now, doesn't the lis pendens
7 cure that problem, if there was a problem, about
8 them not knowing?
9 MR. MASSEY: It may very well, Your Honor.
10 And I would need more time to look at that and
11 research that issue, but it may very well.
12 THE COURT: Okay. So with the relief you
13 want -- your clients want today, they want to
14 vacate the judicial sale. And based on the fact
15 that they may have had an interest in the
16 property because they're heirs to the property,
17 and they realized only just a few months ago
18 after the foreclosure sale or after the
19 foreclosure process is well underway that they
20 may have had an interest in the property -- and
21 if they had an interest in the property, then
22 somehow -- I'm getting lost, Mr. Massey,
23 because --
24 MR. MASSEY: Well, it's confusing.
25 THE COURT: No, you said they don't want to

Page 31

1 the signatures that I've seen, it looks like it
2 was Michael May.
3 THE COURT: Okay. Y'all weren't at the
4 closing?
5 MS. SEEBAUER: I was not at the closing.
6 THE COURT: You weren't aware of the
7 closing?
8 MS. SEEBAUER: No.
9 THE COURT: And you should have been aware
10 of the closing?
11 MS. SEEBAUER: Correct.
12 THE COURT: Why?
13 MS. SEEBAUER: They should have notified us
14 in court that they were -- what they were doing
15 before that transpired. It was supposed to go
16 through court and we didn't hear any of it.
17 THE COURT: Okay. And I want to make sure
18 for clarity of the record, because I'm getting
19 confused. I suspect somebody reading this record
20 down the road might be confused, as well.
21 Mr. Massey, tell me again exactly what your
22 clients want, instead of me trying to figure out
23 what they want.
24 MR. MASSEY: My clients would like the
25 Court -- I guess this would be the bottom line,

Page 30

1 pay anything, you know, and -- but something's
2 been taken from them. And what they want to do
3 is protect the children.
4 MR. MASSEY: They're saying why should they
5 have to pay for something that was wrongfully
6 taken from them and that's -- that's where they
7 stand. It's an equitable argument.
8 THE COURT: There is a mortgage on the
9 property. You're saying that they don't have --
10 what -- you know, what if I said, "Okay, okay,
11 y'all can have the property." They don't have to
12 pay the mortgage, either, is what you're saying,
13 right, because the property was wrongfully taken
14 from them?
15 MR. MASSEY: Your Honor, I think that then
16 becomes an issue with the title insurance company
17 and the attorney that did the closing.
18 THE COURT: And who did the closing?
19 MR. MASSEY: I do not know.
20 THE COURT: Do y'all know who did the
21 closing?
22 MS. SEEBAUER: I do. It's Ratchford & May.
23 THE COURT: All right. Which attorney did
24 it; do you remember?
25 MS. SEEBAUER: The signature -- based upon

Page 32

1 is to stay any future sale of the property --
2 THE COURT: To a third-party.
3 MR. MASSEY: -- to a third party.
4 But if they need to eject and they rent the
5 property to mitigate loss of damages -- but at
6 least to allow my clients to litigate in the
7 Probate Court that issue of whether or not it's a
8 voidable transfer.
9 And then once we get that ruling, bring it
10 to this Court. And if they say it's not
11 voidable, then we're gone; it's done. Then they
12 have to bring actions now against these other
13 parties.
14 Or, in the alternative, if the Court says
15 it's voidable, then there might be some issues
16 this Court would have to entertain, whether or
17 not the foreclosure is subject to a Rule 60
18 motion to open and vacate the judgment.
19 THE COURT: Do you have any case law that
20 supports that?
21 MR. MASSEY: I do not, Your Honor. I have
22 not had the opportunity to research.
23 And, again, I've come in here -- they're two
24 doors down from my office. I wanted to help them
25 out. I didn't think they'd be able to go pro se

Page 33

1 on this issue.

2 And I'm not pretending in any form or
3 fashion to claim I know anywhere near, of course,
4 what you know or these two fine lawyers over
5 here. I just know that something stinks and I've
6 always been taught that if it stinks, at least
7 bring the attention to the Court, and that's what
8 I'm trying to do.

9 THE COURT: Okay. All right.

10 MR. WALKER: Your Honor, just briefly. I
11 mean, I -- I think they've conceded here today
12 that the lender is also in a bad situation to the
13 extent that this was a -- you know, a voidable
14 transfer of property.

15 I think, you know, they can go have their
16 day in court, Probate Court, and ascertain
17 whether it's a voidable transfer of property.
18 But Section 910 clearly shows that it was not an
19 invalid loan or an invalid mortgage on the
20 property. I think that covers the issue here.

21 Now, money was paid to the Personal
22 Representatives. Now, to the extent that should
23 have gone back into the Probate Court and didn't?
24 Sure, that's a Probate issue. To the extent it
25 should have gone to a minor child in the Probate?

Page 35

1 THE COURT: Did the original mortgagors file
2 an answer?

3 MR. WALKER: I believe that they were in
4 default.

5 MR. PEACE: That's my recollection.

6 MR. WALKER: We've got a copy of the order.
7 They were in default. They didn't put up a fight
8 and they're not here before us, either. And I --

9 MR. PEACE: Yeah, we -- Judge, we actually
10 didn't handle the foreclosure sale. Gary Rish
11 from over in Lexington handled the foreclosure.

12 And, typically, whenever he's handling the
13 foreclosures for this particular lender, they're
14 uncontested. So I'll conclude by that they were
15 in default.

16 There was one other point, Judge.

17 THE COURT: Yes, sir.

18 MR. PEACE: On the issue of when these folks
19 just found about it, they may have just found out
20 about it in March --

21 THE COURT: Uh-huh (affirmatively responds).

22 MR. PEACE: -- but it's not just when they
23 found out about it. It's not just when you know.
24 It's when you should have known.

25 And this transaction took place in -- that

Page 34

1 I think that's a very important issue for us to
2 find out.

3 But, Your Honor, that has nothing to do with
4 the foreclosure sale. It has nothing to do with
5 the validity of the mortgage. They may have an
6 action against the Personal Representatives or
7 the Estate, but that's something that Probate
8 Court here can handle.

9 And that's why we think the mortgage is
10 valid, the foreclosure is valid, the transfer of
11 the sale is valid, and it's not reasonable to
12 restrict property indefinitely until something
13 comes out, unless you can show that the mortgage
14 is invalid.

15 Also, just from a procedural standpoint, I'm
16 not sure that they're properly here on this
17 motion without being a party to it or an
18 intervenor.

19 So I think that clearly shows that the sale
20 should stand and the bank should be allowed to
21 move on with the property that they now own.

22 THE COURT: All right, Mr. Walker, did the
23 original mortgagors file an answer to the summons
24 and complaint?

25 MR. WALKER: Pardon me, Your Honor?

Page 36

1 they're complaining about took place in 2008.
2 So, you know, that was -- that was seven years
3 ago.

4 So, you know, clearly, insofar as I'm
5 concerned or my client is concerned, you know,
6 any complaint that they've got that affects me
7 would be barred by the statute of limitations.
8 because, again, it's not just when you know, it's
9 also when you should have known. And they are
10 charged with knowledge of the statute and law
11 just the same as anybody else.

12 So I guess we would throw that stone on the
13 pile, too, as additional grounds to allow us to
14 move forward.

15 THE COURT: Okay. Anything else,

16 Mr. Massey?

17 MR. MASSEY: Your Honor, just once again,
18 the only relief we're really seeking right now is
19 to try and get the stay of a subsequent sale to a
20 third-party.

21 If the Court wanted to fashion some type of
22 thing where they can eject and rent it until we
23 could get a decision, that's fine.

24 THE COURT: Mr. Massey, let me ask you, how
25 does that help them, though? It doesn't change

Page 37

1 their position. The property is already owned by
2 somebody else, meaning the lender. They already
3 own the property.

4 Now, why is keeping them from selling to
5 somebody else is going to help your clients? How
6 is that going to help your clients?

7 MR. MASSEY: All they're trying to do is
8 potentially protect/erase a part of the Estate
9 that was originally devised to all four of the
10 heirs.

11 THE COURT: But it's already gone, is what
12 I'm saying. It's already owned by the lender.
13 And you said all they want to do is stop it from
14 being sold to somebody else. I don't know
15 understand how that helps them at all.

16 MR. MASSEY: Well, Your Honor --

17 THE COURT: You know -- you know, I mean, an
18 injunction against the sale of real estate, I
19 don't know if that's the problem or not. If the
20 Courts, you know ...

21 MR. MASSEY: Well, the Court always looks
22 down upon injunctions or any writs and I'm well
23 aware of that.

24 THE COURT: Yeah.

25 MR. MASSEY: But at the same time, Your

Page 39

1 THE COURT: I'm sorry, the Conservator --
2 you're Conservator for your child?

3 MS. SEEBAUER: For my child.

4 MR. MASSEY: Right.

5 THE COURT: Not for the child of the people
6 that live in the property?

7 MS. SEEBAUER: No.

8 MR. MASSEY: No, the children --

9 THE COURT: Hold on. So you're saying that
10 your child has a potential interest in this
11 house?

12 MS. SEEBAUER: Yes, sir.

13 MR. WALKER: And you're trying to save it?

14 MR. MASSEY: He was devised \$50,000 directly
15 from the residual of the Estate, which would have
16 been able to have been paid from this sales
17 price.

18 The two children that are living in this
19 house right now would not be taken under the
20 Estate; only their mother would be. The two
21 children in Georgetown, though, are the surviving
22 children of their late sister. And that's why
23 they have an interest.

24 I've contacted the father and asked him to
25 get a Guardian Ad Litem. They'll most likely

Page 38

1 Honor, you know, they technically have -- as
2 heirs have some interest in this property if it
3 was sold improperly.

4 And if that being the case, and particularly
5 the child and the other two children of the
6 deceased heir, and -- you know, I think
7 subsequently down the road there's going to be
8 some issues with that.

9 THE COURT: Well, let me -- let me ask you.
10 You've brought the children up several times and
11 Mr. Steiner is here and he's a Conservator for
12 one of the children?

13 MR. MASSEY: Yes, sir.

14 THE COURT: Okay. What role do their
15 parents have in this? If their parents are the
16 mortgagors and the parents didn't respond to the
17 summons and complaint, their parents aren't here
18 today, don't they have role in protecting their
19 own children?

20 MR. MASSEY: They do. But as Conservator of
21 his nephew -- and that's Amie's son --

22 MS. SEEBAUER: Yeah.

23 MR. MASSEY: -- you know, he's got a special
24 fiduciary responsibility to that child. The
25 deceased --

Page 40

1 have to get one for Clifton, as well. And then
2 I'm going to be out of the case because this
3 isn't my specialty, but I suspect it's going to
4 be a pretty messy affair.

5 And, again, I'm sorry to bring this to you.
6 I'm just trying --

7 THE COURT: No, no, no, no. It's not a
8 messy affair, mainly because it's pretty clear.
9 Sterling Lending Group, as agent for Regent Bank,
10 is the owner of the property. That's clear as a
11 bell.

12 But what's unclear, though, is how your
13 clients have a right to come to Court and ask
14 that the sale be set aside. They're not parties
15 to the lawsuit and they don't want to -- they
16 don't want to pay anything to the owner of the
17 property to have the property back.

18 That's -- I mean, that is not messy because
19 the Probate Court is going to decide on their
20 issues one way or the other.

21 MR. MASSEY: Well, I --

22 THE COURT: But what's clear as a bell is
23 that we have an owner here and they have a right
24 to market it and have it sold.

25 And, again, I haven't gotten good answers to

Page 41

1 how it's going to help your clients to keep them
2 from selling to somebody else.
3 MR. MASSEY: Well --
4 THE COURT: I don't -- how is that going to
5 help them? They don't want to buy it and they
6 don't want anybody else to buy it. You're saying
7 they shouldn't have to buy it because it was
8 theirs to start with.
9 MR. MASSEY: Right. It was wrongfully taken
10 from them.
11 THE COURT: By?
12 MR. MASSEY: By the Personal Representative
13 of the Estate of their late grandfather.
14 THE COURT: Who was?
15 MR. MASSEY: Their sister.
16 THE COURT: Who was the name, please?
17 MR. MASSEY: I'm sorry?
18 THE COURT: I'm trying to get a clear record
19 here. The name of the person who wrongfully took
20 the property from your client?
21 MR. MASSEY: Is Tammy -- Tamara?
22 MR. STEINER: Tamara Steiner.
23 MR. MASSEY: Tamara Steiner.
24 THE COURT: Who lives in the property now?
25 MR. MASSEY: Correct. She was the

Page 43

1 THE COURT: And so you're -- okay. I want
2 to make sure I understand your position before I
3 rule.
4 You're saying -- you're saying that the
5 person that took out the mortgage, that actually
6 borrowed the money, wrongfully disposed of the
7 property or wrongfully acquired or wrongfully
8 took something that belongs to your clients;
9 therefore, the foreclosure sale should be set
10 aside and, in the alternative, that the new
11 owners of the property, the lenders, shouldn't be
12 allowed to sell it to anybody else. Does that
13 sum up your position?
14 MR. MASSEY: Not necessarily. The issue is
15 that they contest whether or not the original
16 mortgage had clean hands because they should have
17 known that it was an improper transfer on the
18 face --
19 THE COURT: All right. They who?
20 MR. MASSEY: -- of the deed.
21 THE COURT: They should have known?
22 MR. MASSEY: Whoever the financial
23 institution was that lent the money for the
24 purchase of the house.
25 THE COURT: And so you're saying the lender

Page 42

1 Personal -- a Co-Personal Representative. The
2 other Co-Personal Representative is deceased.
3 THE COURT: And what was the name?
4 MR. MASSEY: And her name was Laurie
5 Steiner.
6 THE COURT: Okay. Now --
7 MR. MASSEY: She had two children that would
8 take under the last will and testament of the
9 grandfather.
10 Again, I think there's an issue whether or
11 not there was a bona fide sale in '08, whether or
12 not the mortgage lender -- you know, not just
13 relying upon the attorney, but whether they
14 should have known on their own, and subsequently
15 the foreclosure, whoever did that, should have
16 also probably picked up that it was not done by
17 deed of distribution.
18 And I just really think the language in 910
19 about "any instrument," you could make a
20 legitimate argument that it's void against public
21 policy, because it totally negates the Probate
22 statute that tries to avoid this conflict and
23 where people gets their hands on things they
24 shouldn't have, so:
25 Your Honor, I --

Page 44

1 had unclean hands?
2 MR. MASSEY: Yes, sir.
3 THE COURT: They did something wrong by
4 lending money to the people that live -- that
5 bought the property?
6 MR. MASSEY: Correct, because the lender
7 should have known -- knew or should have known
8 that to get property from an Estate, it has to be
9 done by deed of distribution when the Personal
10 Representative is giving it to themselves.
11 THE COURT: So --
12 MR. MASSEY: And so --
13 THE COURT: -- how did they -- how did they
14 profit from this, Mr. Massey? They lent money to
15 somebody --
16 MR. MASSEY: Your Honor --
17 THE COURT: -- who unfortunately couldn't
18 pay the mortgage.
19 MR. MASSEY: I don't think they are and I
20 think they are a victim in this, as well.
21 THE COURT: But you just said they had
22 unclean hands --
23 MR. MASSEY: Well --
24 THE COURT: -- by lending the money to the
25 mortgagor.

Page 45

1 MR. MASSEY: Well, again, I don't deal with
2 mortgage transactions, but I know at that time of
3 history, around '06, '07, '08, mortgages were
4 flying around and people were doing them left and
5 right and most of them -- a lot of them went
6 under.

7 I don't know if the banks or the mortgage
8 institutions were using due diligence and I think
9 that's an argument my clients could make, that
10 they should not have loaned the money.

11 And then they should not have been -- they
12 shouldn't have loaned it in the first place and
13 they violated some federal statute. There may
14 very well be a specific federal statute
15 pertaining to a loan that's void as against
16 public policy, but I don't know. I haven't had
17 time to research that.

18 So, again, my beef is not with the mortgage
19 company as much as it is if the sale was never
20 proper in the first place.

21 THE COURT: Your beef would have to be with
22 the mortgage company because they're the owners
23 now. And they're the ones -- if I set aside the
24 sale, then they're out of luck as far as the
25 money they lent to the original borrowers.

Page 47

1 something out; you know, maybe you can. But as
2 far as today, this motion is concerned today, I'm
3 going to deny the motion.

4 MR. MASSEY: Okay.

5 THE COURT: If you'll submit a proposed
6 order to that effect, then we'll take it from
7 there.

8 And, of course, I'm not the last word,
9 necessarily, so take it either to Probate or the
10 Appellate Courts, I guess.

11 MR. MASSEY: We appreciate you taking the
12 time to hear us.

13 THE COURT: Oh, sure, I don't mind. It's an
14 interesting issue.

15 MR. MASSEY: Just trying to peel through the
16 onion right now.

17 THE COURT: Oh, no trouble.

18 MR. MASSEY: And I haven't had an
19 opportunity to really look at all the facts in
20 this case.

21 THE COURT: All right.

22 MR. WALKER: Thank you, Your Honor.

23 THE COURT: All right. No problem.

24 MR. PEACE: Judge, I've got a copy of my
25 petition and the proposed Rule to Show Cause here

Page 46

1 If I set aside the sale, the people that
2 live there now can stay there indefinitely. You
3 know, if I set aside the sale, they have no
4 remedy because you say the property was
5 transferred invalidly and mortgaged improperly
6 back in 2008, so.

7 MR. MASSEY: Again, and we would propose --

8 THE COURT: So you have to have -- you must
9 have a beef with them. And you're trying to ask
10 that they don't be allowed to even transfer the
11 property and that's a problem for them, as well.

12 MR. MASSEY: Well, the proposal would be
13 this, then, okay? That they don't move to set
14 aside the sale. What they want to do right now
15 is to stay any subsequent sale until the Probate
16 Court determines --

17 THE COURT: Yeah, you said that. You -- I'm
18 sorry, go ahead.

19 MR. MASSEY: And you could eject the people
20 that are in there right now and the bank could
21 maybe mitigate any losses during that time by
22 renting out the property.

23 THE COURT: That's the kind of thing,
24 though -- Mr. Peace, Mr. Walker, y'all can take
25 that to your client and maybe y'all can work

Page 48

1 with me today. Can we get a hearing scheduled?

2 THE COURT: For the eviction?

3 MR. PEACE: For the eviction.

4 THE COURT: Let me look at your order -- let
5 me sign the order first and then maybe have a
6 cover letter explaining to me that I said hold
7 that scheduling in abeyance until I sign the
8 order. Can you get me the order within a week or
9 so?

10 MR. PEACE: Yeah. We'll have it to you
11 promptly, Judge. We really need to move forward
12 with --

13 THE COURT: All right. And, Mr. Massey,
14 what he's asking for is that we go ahead and set
15 a hearing date for the eviction.

16 MR. MASSEY: Yes, sir.

17 THE COURT: And, you know, y'all are going
18 to be notified of that --

19 MR. MASSEY: Thank you, Your Honor.

20 THE COURT: -- even though you're not
21 parties.

22 MS. SEEBAUER: Thank you.

23 THE COURT: All right. Is that okay? You
24 don't have a problem with that?

25 MR. PEACE: No.

Page 49

1 THE COURT: They don't have a problem. All
2 right.
3 MR. MASSEY: Good to see you again, Judge.
4 THE COURT: All right. Thank you.
5 MR. WALKER: Thank you, Judge.
6 (There being nothing further, the hearing
7 concluded at 2:51 p.m.)
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Page 50

1 CERTIFICATE OF REPORTER
2
3 I, Cassandra E. Vance, Court Reporter and
4 Notary Public in and for the State of South
5 Carolina, do hereby certify that I reported the
6 motion hearing of Sterling Lending Group v.
7 Tamara L. Steiner, et al, on the 10th day of
8 September, 2015.
9 I further certify that I am neither attorney
10 nor counsel for, nor related to or employed by,
11 any of the parties connected with this action,
12 nor am I financially interested in said cause.
13 IN WITNESS WHEREOF, I have hereunto set my
14 hand and seal this 17th day of September 2015.
15
16
17
18 Cassandra E. Vance, Court Reporter
19 Notary Public for South Carolina
20 My commission expires: 2-26-2018
21
22
23
24
25

A	24:7 29:2 Amie's 38:21 Andrew 2:2 annotation 22:21 answer 18:20 34:23 35:2 answers 40:25 anybody 19:23 36:11 41:6 43:12 apologize 8:19 appearance 3:10 14:15 17:21 APPEARANC... 2:1 appears 27:10 Appellate 47:10 applied 17:10 24:15 applies 15:10 apply 22:23 23:4 26:22 appreciate 47:11 appropriately 14:25 approved 7:21 7:24 argue 13:11 arguing 15:5 argument 8:5 21:4 30:7 42:20 45:9 arguments 20:14 ascertain 33:16 aside 40:14 43:10 45:23 46:1,3,14 asked 39:24 asking 11:4 24:23 48:14 assert 25:25 assertion 15:11 assets 5:22 assistance 10:25	11:10 24:2 attention 5:14 8:3 18:15 33:7 attorney 2:4,10 5:9 14:19 28:14,17 30:17 30:23 42:13 50:9 attorneys 12:19 18:9 automatically 24:18 Avenue 2:6 avoid 42:22 aware 18:19 20:7 21:7 22:7 31:6,9 37:23	16:8,8 bona 6:11 8:10 8:12 15:8 20:14 26:15,19 42:11 borrow 17:4 borrowed 21:21 43:6 borrowers 7:4 45:25 bottom 23:6 31:25 bought 44:5 Box 2:3 boyfriend 12:18 briefly 33:10 bring 5:13 8:3 11:24 12:25 18:15 32:9,12 33:7 40:5 brought 18:11 38:10 building 10:6 buy 16:6 17:3 41:5,6,7 buyer 25:6 buying 18:14 26:5	50:3,17 Cassell 2:6 cause 10:12 47:25 50:12 Center 1:16 certain 14:15 20:12 certainly 22:23 Certificate 2:14 50:1 certify 50:5,9 chance 12:18 change 36:25 Chapter 8:18 charged 36:10 child 33:25 38:5 38:24 39:2,3,5 39:10 children 17:12 17:14 18:1 25:4,20 30:3 38:5,10,12,19 39:8,18,21,22 42:7 children's 12:15 cite 8:7 cited 22:19 Civil 2:20 3:1 claim 22:15,16 22:17 33:3 clarity 31:18 clean 43:16 clear 8:19 20:22 40:8,10,22 41:18 cleared 9:17 clearer 9:7 clearly 9:3,14 33:18 34:19 36:4 client 8:11 9:15 9:24 10:2 11:17 19:7,10 22:24 36:5 41:20 46:25
	B B 2:2 back 11:3,20 14:13 15:7 16:6 19:24 27:7,12 33:23 40:17 46:6 bad 14:3 33:12 bank 7:10 16:7 17:4 27:6 34:20 40:9 46:20 banks 45:7 barn 5:5 barred 36:7 based 9:22 25:1 29:14 30:25 beef 45:18,21 46:9 belief 9:22 believe 4:18 10:7 10:10,16 20:5 21:3 25:17 29:1 35:3 bell 40:11,22 belongs 7:9 43:8 bit 3:12 11:18	C C/A 1:2 called 17:11 Carolina 1:1,17 1:20 2:4,7,10 2:20 17:11 50:5,18 case 4:25 6:15 7:12 8:5 12:8 14:8,16 15:17 24:9,10 26:25 27:2,16,17 32:19 38:4 40:2 47:20 cases 16:5 Cassandra 1:18		

clients 3:25 11:19 15:19 16:15 17:3 24:1 25:19 28:24 29:13 31:22,24 32:6 37:5,6 40:13 41:1 43:8 45:9 Clifton 40:1 closed 15:15 closes 8:5 closing 14:19 30:17,18,21 31:4,5,7,10 Co-counsel 2:7 Co-Personal 42:1,2 code 4:20 8:21 8:22 9:14 12:3 25:8 coffin 23:2 Columbia 1:17 2:4,7,10 come 3:25 16:5 24:17 26:14 27:12 32:23 40:13 comes 34:13 comment 8:8 19:5 commission 50:19 COMMON 1:1 communicating 18:5 company 20:22 30:16 45:19,22 complaining 36:1 complaint 23:10 34:24 36:6 38:17 complete 22:13 compliant 23:10 conceded 33:11	concerned 4:12 23:17 36:5,5 47:2 conclude 35:14 concluded 22:14 23:9 49:7 condo 10:6 conflict 8:15 42:22 conflicts 13:14 confused 15:25 31:19,20 confusing 29:24 connected 50:11 consent 4:23 12:6 Conservator 3:14 5:21 14:17 17:24 25:20 38:11,20 39:1,2 Conservators 20:4 consult 5:9 consulting 19:7 19:10 contacted 39:24 contest 43:15 contrary 15:11 conveyed 5:11 copy 8:20,25 35:6 47:24 correct 16:1 23:24 24:20 31:11 41:25 44:6 counsel 50:10 Counsel's 15:11 County 1:2,15 couple 5:1 course 27:21 33:3 47:8 court 1:1,18 3:1 3:8,9,19,22,25 4:2,4,5,8,10,17	4:23 5:14,16 5:18 6:3,6,14 6:16,19,22 7:22,23 8:2,21 8:24,25 9:2,24 10:2,5,9,14,21 10:24 11:8,22 12:4,6,10,21 12:22,23 13:3 13:5,17,19,24 13:25 14:7,12 14:23 15:16,24 16:2,17,20,23 17:2,18,22 18:1,17,21 19:3,6,12,22 20:1,23 21:2,9 21:15,20,23 22:2,2,5,6,8,11 23:13,16,20,22 23:25 24:4,16 24:21,23 25:12 25:15,18 26:5 26:8,11,24 27:15,20 28:2 28:6,11,24 29:6,12,25 30:8,18,20,23 31:3,6,9,12,14 31:16,17,25 32:2,7,10,14 32:16,19 33:7 33:9,16,16,23 34:8,22 35:1 35:17,21 36:15 36:21,24 37:11 37:17,21,24 38:9,14 39:1,5 39:9 40:7,13 40:19,22 41:4 41:11,14,16,18 41:24 42:3,6 43:1,19,21,25 44:3,11,13,17 44:21,24 45:21	46:8,16,17,23 47:5,13,17,21 47:23 48:2,4 48:13,17,20,23 49:1,4 50:3,17 Court's 8:3 Courtroom 1:16 Courts 37:20 47:10 cover 48:6 covers 33:20 cows 5:4 criteria 4:24 cure 29:7 D damages 32:5 date 48:15 David 2:8,9 3:10 day 1:17 33:16 50:7,14 deal 14:24 45:1 debt 18:23 19:1 19:19 deceased 18:4 38:6,25 42:2 decendent 6:23 decide 24:25 40:19 decision 14:1 36:23 deed 4:15,16 5:11,12 6:12 6:23 7:7 9:9,10 10:2,3 12:12 12:13 13:7,10 15:9 20:16,20 21:7,8 26:15 26:21 42:17 43:20 44:9 deeper 23:3 default 35:4,7,15 defaulting 7:3 defects 17:13 Defendants 1:7	10:10,19 16:25 defense 26:23,24 26:25 deny 47:3 department 16:11 determine 6:8 11:22 determines 12:23 46:16 devised 26:2 37:9 39:14 died 6:23 different 5:5 diligence 45:8 directly 39:14 discovered 25:2 discretion 16:8 disposed 43:6 distinguish 11:9 distributed 20:18 distributing 9:13 distribution 4:16 5:12 6:13 9:4,9 12:13 13:7 15:10 20:21 21:8 26:16,22 42:17 44:9 doing 31:14 45:4 doors 32:24 Drew 6:18 due 6:12 45:8 E E 1:18 2:8 50:3 50:17 earlier 15:14 economy 6:6 15:6 27:6 effect 47:6 effort 17:3,6 either 8:24 12:5
--	--	--	--	--

14:6 25:1 30:12 35:8 47:9 eject 32:4 36:22 46:19 Elmwood 2:6 employed 50:10 enabled 7:2 encumbrance 26:16 ended 21:12 engaged 16:18 ensure 17:13 entertain 32:16 equitable 28:1 30:7 error 3:15 Esquire 2:2,5,8 essentially 22:14 23:8 estate 3:15 4:13 4:14 5:10,21 5:22 6:22,24 7:20 9:21 15:15 16:11,18 23:12 26:1 27:12 34:7 37:8,18 39:15 39:20 41:13 44:8 estopped 20:11 21:5 et 1:6 50:7 everybody 8:1 everybody's 4:2 everyone's 4:3 18:15 20:8,10 eviction 11:9,11 48:2,3,15 evidence 12:9 25:2 ex 17:11 25:3 exactly 23:19 31:21 executed 6:24	exhibits 2:15,17 expires 50:19 explaining 48:6 expressly 4:22 12:6 extent 22:15 23:9 33:13,22 33:24 F face 43:18 fact 25:1 29:14 facts 47:19 fair 26:19 fancy 11:9 far 22:7 23:17 45:24 47:2 fashion 18:11 33:3 36:21 father 18:5 39:24 federal 45:13,14 female 4:4 fide 6:11 8:10,12 15:8 20:14 26:15,19 42:11 fiduciary 38:24 field 18:7 fight 35:7 figure 31:22 file 26:12 34:23 35:1 filed 13:19 financial 15:6 43:22 financially 50:12 find 28:7 34:2 fine 18:8 33:4 36:23 finished 19:12 first 5:3 11:22 11:23 28:20 45:12,20 48:5 flexibility 11:18 16:9	flying 45:4 focus 8:19 folks 22:15 35:18 forced 10:13 foreclosed 5:8 6:4 7:3 10:11 18:24 19:20 20:9 21:12,19 22:25 foreclosure 3:20 7:6 10:20 11:12 13:19 21:6 22:13,13 25:23 26:13,24 27:2,14 28:13 28:25 29:18,19 32:17 34:4,10 35:10,11 42:15 43:9 foreclosures 35:13 forgot 6:17 form 33:2 former 16:25 forward 36:14 48:11 found 28:11,20 29:2 35:19,19 35:23 four 37:9 frankly 16:6 fraudulent 20:6 21:2 free 20:22 friend 28:10 front 14:6 fully 15:12 funds 9:17 further 49:6 50:9 future 32:1 G Gary 35:10	general 4:15 5:11 8:9 9:10 12:12 13:9 20:16 21:7 Georgetown 18:3 39:21 Gervais 2:9 getting 29:22 31:18 give 11:14 15:6 28:16 gives 11:17 16:7 giving 29:4 44:10 glance 5:3 glasses 13:2 go 6:16,19 31:15 32:25 33:15 46:18 48:14 goes 13:12 28:18 going 6:9 14:12 14:18,23 15:1 15:3 18:14,16 19:8 20:23 37:5,6 38:7 40:2,3,19 41:1 41:4 47:3 48:17 good 19:14 40:25 49:3 gotten 5:4 40:25 grandfather 41:13 42:9 grant 12:25 24:22 grounds 36:13 Group 1:3 3:2 26:8 40:9 50:6 Guardian 39:25 Guardians 12:15 guess 3:21 22:9 31:25 36:12 47:10	H half 15:13 hammer 23:2 hand 11:16 50:14 handle 34:8 35:10 handled 7:4 35:11 handling 35:12 hands 8:13 42:23 43:16 44:1,22 happened 14:1 15:13 happy 8:24 hear 31:16 47:12 hearing 1:9,14 2:17,19 3:4 5:9 9:19 11:1,4,11 11:15 23:23 24:2 48:1,15 49:6 50:6 hearings 18:6 heir 18:4 38:6 heirs 4:23 17:19 20:2 26:1 27:25 28:5,7 29:16 37:10 38:2 held 1:15 2:19 27:24 help 32:24 36:25 37:5,6 41:1,5 helps 37:15 hereunto 50:13 hissself 9:5 history 45:3 hold 39:9 48:6 home 10:8 25:23 Honor 3:9 4:11 6:18,22,25 7:4 7:8,10,16 8:5 8:17 9:16,23 11:21 14:18
---	---	---	--	--

15:21 16:1 17:7 18:19 19:4 20:4 21:14 27:5 29:9 30:15 32:21 33:10 34:3,25 36:17 37:16 38:1 42:25 44:16 47:22 48:19 Honorable 1:14 house 10:5 12:17 12:17 39:11,19 43:24	interest 8:16 13:15 24:11 25:4 26:3 27:24,25 28:1 28:5,12 29:15 29:20,21 38:2 39:10,23 interested 50:12 interesting 47:14 intervene 7:12 24:21 intervenor 34:18 invalid 6:8 33:19 33:19 34:14 invalidate 5:16 invalidated 4:19 invalidly 46:5 involved 7:19 12:20 14:16 15:12 27:21 involving 17:12 issue 3:13 6:10 14:18 15:2,23 19:25 22:20 25:5 27:22 29:11 30:16 32:7 33:1,20 33:24 34:1 35:18 42:10 43:14 47:14 issues 5:12 12:20 13:1 15:4,7 17:12 18:10 20:20 32:15 38:8 40:20 it'd 5:17	23:7 35:9,16 47:24 48:11 49:3,5 judgment 24:25 32:18 judicial 1:16 3:5 6:6 15:5,25 16:3 24:9 27:6 29:14 June 11:3,7 justified 25:2	knowledge 36:10 known 6:1 26:21 27:16 35:24 36:9 42:14 43:17,21 44:7 44:7 knows 4:2 7:4	Lexington 35:11 liability 15:4 lieu 11:24 limitations 11:25 12:24 36:7 line 5:15 20:6 23:7 31:25 lis 29:6 listing 18:18 Litem 39:25 Litems 12:15 litigate 32:6 little 3:12 11:18 16:8,8 17:9 live 10:15,21,22 21:16,17 23:18 24:10 25:18,21 25:22 39:6 44:4 46:2 lives 41:24 living 10:9 16:21 39:18 LLC 2:2,6 loan 9:16,21 21:11 33:19 45:15 loaned 22:24 45:10,12 long 6:1,1 11:14 look 6:6 17:13 24:24 29:10 47:19 48:4 looked 28:22 looking 15:2,3 20:16 22:5 looks 5:3 31:1 37:21 loss 32:5 losses 46:21 lost 25:23 27:9 29:22 lot 45:5 luck 45:24
I important 34:1 importantly 8:8 8:17 improper 43:17 improperly 26:21 38:3 46:5 indefinitely 34:12 46:2 INDEX 2:13 indicate 3:4 individually 20:4 indulge 8:25 inform 3:19 Initially 24:15 injunction 37:18 injunctions 37:22 inquire 9:12 insofar 36:4 institution 15:6 43:23 institutions 45:8 instrument 9:8 9:10 13:9 25:8 42:19 insurance 15:2 30:16	J Jackson 2:2,6 Joseph 1:14 Jr 21:14 judge 11:2 12:14 14:21,24 18:7 19:2 22:9 23:2	K keep 15:22 16:5 41:1 keeping 37:4 Kenneth 24:7 kidding 28:18 kids 27:12 28:17 kind 10:6 13:9 17:5 23:6 46:23 knew 7:23 44:7 know 4:3 6:1 7:13 9:19 11:14 13:6,21 16:14 17:4 18:13,20,23 19:2 20:9,10 20:10 22:9,12 23:6 24:6 26:25 27:13,14 27:18,20,21 28:22,25 29:1 30:1,10,19,20 33:3,4,5,13,15 35:23 36:2,4,5 36:8 37:14,17 37:17,19,20 38:1,6,23 42:12 45:2,7 45:16 46:3 47:1 48:17 knowing 8:1 29:8	L L 1:6 21:13 50:7 Lady 2:3 language 9:7 42:18 late 5:17 39:22 41:13 Latin 17:10 Laurie 42:4 law 2:9 8:9 22:20 27:10 32:19 36:10 lawsuit 25:16 40:15 lawyer 5:10 14:21 23:11 lawyers 22:18 33:4 learn 17:16 learned 17:17 left 45:4 Legislature 9:15 legitimate 18:10 20:13,19 42:20 lender 7:2 26:7 33:12 35:13 37:2,12 42:12 43:25 44:6 lenders 9:15 20:24 43:11 lending 1:3 3:2 26:8 40:9 44:4 44:24 50:6 lent 43:23 44:14 45:25 letter 48:6 Lewis 2:2	

M	44:23 45:1 46:7,12,19 47:4,11,15,18 48:13,16,19 49:3	44:18 45:2,7 45:18,22 mortgaged 46:5 mortgagee 8:12 8:14 9:4,11 23:4 mortgages 45:3 mortgagor 44:25 mortgagors 21:10 34:23 35:1 38:16	never 27:13 28:4 45:19 new 11:11 16:7 19:23 43:10 newly 25:2 nine 14:1,3 18:3 Notary 1:19 50:4 50:18 note 27:8 notes 3:4 notice 8:15 9:6 11:11 12:16 20:8 notified 24:1 31:13 48:18 number 12:1 13:1 18:25 20:19	opens 8:4 opportunity 32:22 47:19 order 12:6 35:6 47:6 48:4,5,8,8 ordered 7:6 orders 4:23 original 19:15 21:5,10,10,15 34:23 35:1 43:15 45:25 originally 16:14 37:9 outstanding 15:8 owned 37:1,12 owner 16:7 40:10,16,23 owners 11:12 19:23 21:10,15 21:18 43:11 45:22 owns 9:25 11:17
M 1:14 2:5 Magistrate 11:10 Main 1:16 making 14:14 20:24 Mann 2:2 March 17:17 28:8 29:2 35:20 marked 2:17 market 16:15 26:20 40:24 marketing 16:12 Massey 2:8,9 3:7 3:8,9,10,24 4:7 4:11,18 5:19 6:4 11:8,19,21 12:5,22 13:4 13:17,23 14:5 14:11,14 15:1 15:16,21 16:25 17:3,7,19,23 18:2 19:6,11 19:14,22 20:2 21:1,3 23:25 24:3,15 25:14 25:17,25 26:7 26:9 27:1,15 27:19,22 28:3 28:8,14 29:1,9 29:22,24 30:4 30:15,19 31:21 31:24 32:3,21 36:16,17,24 37:7,16,21,25 38:13,20,23 39:4,8,14 40:21 41:3,9 41:12,15,17,21 41:23,25 42:4 42:7 43:14,20 43:22 44:2,6 44:12,14,16,19	Master-In-Eq... 3:18 15:17 Master-In-Eq... 7:7 math 14:3 matter 7:5 9:21 mean 14:12 19:12 22:3,12 33:11 37:17 40:18 meaning 37:2 means 17:11 mentioned 5:7 13:5 mero 17:11 25:3 messy 40:4,8,18 met 4:24 Michael 31:2 mind 47:13 minor 3:14 5:21 12:15 14:16 33:25 mistake 25:1 mitigate 32:5 46:21 money 17:4 21:21 22:25 27:7 33:21 43:6,23 44:4 44:14,24 45:10 45:25 month 28:21 months 3:6 5:2 24:14 29:17 mortgage 14:9 14:13 19:15,17 20:22 26:7,16 30:8,12 33:19 34:5,9,13 42:12 43:5,16	motion 1:9 3:5 16:13 24:8,21 24:24 32:18 34:17 47:2,3 50:6 motu 17:11 25:3 Movant 7:18 Movants 7:11 8:6 move 3:19 27:2 34:21 36:14 46:13 48:11 moved 7:12	O obtained 8:15 occupied 16:20 occurred 4:13 12:8 office 2:3 3:11 5:1 11:6 32:24 Offices 2:9 Oh 4:5 47:13,17 okay 4:10 10:24 11:8 16:23 17:20,22 18:21 19:3 22:8 24:4 27:8 29:12 30:10,10 31:3 31:17 33:9 36:15 38:14 42:6 43:1 46:13 47:4 48:23 old 17:9 18:1 once 32:9 36:17 ones 21:11,21 45:23 onion 47:16 open 7:24 32:18	
		N nail 23:2 name 4:3,3 6:17 41:16,19 42:3 42:4 names 10:14 near 33:3 necessarily 43:14 47:9 need 5:8,13 29:10 32:4 48:11 negates 25:8 42:21 neighbor 3:11 neither 50:9 nephew 17:25 38:21		P p.m 1:12,12 49:7 page 2:13,16 3:6 paid 5:23 27:7 33:21 39:16 paraphrasing 8:14 Pardon 34:25 parents 38:15,15 38:16,17 parity 32:3 part 37:8 particular 8:4 22:19 35:13 particularly 5:20 12:11 38:4 parties 12:7 24:9 25:15 27:16,17 32:13 40:14 48:21 50:11

party 7:11 27:4 34:17 pay 14:12,13 15:20 19:23 30:1,5,12 40:16 44:18 Peace 2:5,6 6:14 6:15 10:12,18 10:23 11:2,16 16:1,13,18,22 16:24 17:1 18:17,19,22 19:4,19 21:9 21:13,17,22,25 22:4,7,9 23:14 23:19,21,24 35:5,9,18,22 46:24 47:24 48:3,10,25 peel 47:15 pendens 29:6 pending 10:11 11:6 people 10:9,14 16:5,21 17:20 23:18 25:20,22 25:25 27:7,9 27:14,24 39:5 42:23 44:4 45:4 46:1,19 person 41:19 43:5 personal 4:14,20 6:24 7:20 12:2 13:13 15:14 22:16 23:11 26:2 28:9 29:4 33:21 34:6 41:12 42:1 44:9 pertain 8:11 pertaining 8:10 45:15 petition 11:3,5 26:11,12 47:25	phone 8:23 phrase 17:10 picked 42:16 pile 36:13 place 3:6 5:6 24:14 35:25 36:1 45:12,20 Plaintiff 1:4 2:4 2:7 PLEAS 1:1 please 3:7 6:21 41:16 point 12:21 20:11 35:16 points 22:19 policy 13:12 25:11 42:21 45:16 position 20:3 37:1 43:2,13 Post 2:3 potential 39:10 potentially 37:8 PR 9:4,12,12 premises 7:9 present 2:11 12:9 preserve 5:20 pretending 33:2 pretty 40:4,8 price 7:21,25 18:18 19:16 39:17 primary 10:7 principles 8:9 prior 23:8 pro 24:16 32:25 probably 15:1,3 42:16 Probate 3:13,16 4:20 5:16 6:7 7:23 8:2,21,22 9:17 11:22 12:3,9,14,23 13:5,25 14:24	14:24 18:5 19:16 24:19 25:8 26:11 29:3 32:7 33:16,23,24,25 34:7 40:19 42:21 46:15 47:9 problem 3:23 4:12,17 5:4 29:7,7 37:19 46:11 47:23 48:24 49:1 problems 18:14 procedural 7:13 17:13 34:15 Procedure 2:20 proceed 23:15 proceeding 3:20 proceeds 26:4 process 27:14 29:19 professional 15:4 profit 44:14 prohibition 29:3 prompted 16:13 16:24 promptly 48:11 proper 45:20 properly 7:13 28:4,4 34:16 property 4:21 5:7,15 7:9,19 8:13 9:13,25 10:21,22 11:12 11:17,19 14:9 15:7,13,19,20 15:22 16:6,12 16:15 18:8,9 18:12,18,23 19:2,24,24 20:3,17 21:11 21:16,18 22:1 22:18,25 23:8	23:20,21 24:10 24:11 25:18,21 25:23 26:2,4,5 26:20 27:25 28:12,16 29:16 29:16,20,21 30:9,11,13 32:1,5 33:14 33:17,20 34:12 34:21 37:1,3 38:2 39:6 40:10,17,17 41:20,24 43:7 43:11 44:5,8 46:4,11,22 proposal 46:12 propose 46:7 proposed 47:5 47:25 protect 8:12 9:15 25:9 27:11,12 30:3 protect/erase 37:8 protected 14:16 17:14 protecting 38:18 protection 9:23 prove 26:17 provides 4:22 public 1:19 13:11 25:9,10 42:20 45:16 50:4,18 purchase 7:21 7:25 20:3 43:24 purchaser 8:14 15:9 20:21 purchasers 8:10 20:13,14 pursuant 2:19 put 9:14 35:7 puts 8:18	Q question 13:6,8 Quinn 2:2 quite 14:7 16:6 R raised 7:14 range 19:1,21 rarely 17:10 Ratchford 30:22 read 8:24 reading 31:19 real 5:10 16:11 16:18 37:18 realized 24:18 29:17 really 25:5 36:18 42:18 47:19 48:11 realm 5:25 reason 17:9 25:3 26:9 reasonable 34:11 recognize 27:6 recollection 35:5 record 31:18,19 41:18 recorded 10:3 refinance 17:5 regard 17:6 Regent 40:9 related 50:10 relief 22:6 24:16 25:13 29:12 36:18 relying 22:22 23:4 42:13 remedy 46:4 remember 30:24 removed 23:20 rent 32:4 36:22 renting 46:22 reopen 26:13 27:2
---	--	---	--	--

Rep 15:14	36:18 39:4,19	11:4,5 23:23	signed 7:7	standpoint 7:14
reported 50:5	40:13,23 41:9	48:1	Silver 2:6	23:7 34:15
Reporter 1:19	43:19 45:5	scheduling 48:7	simply 11:11	start 41:8
4:2,4 50:1,3,17	46:14,20 47:16	se 24:16 32:25	single-family	started 3:16
reporter's 8:8	47:21,23 48:13	seal 50:14	10:8	State 1:1,19 50:4
representative	48:23 49:2,4	second 23:1	sir 3:24 13:3	stated 5:8 24:6
4:14,21 7:20	Rish 35:10	Section 8:18	24:3 35:17	states 4:20 9:3
12:2 13:13	RM 16:10	9:23 12:3 13:1	38:13 39:12	statues 25:6
23:11 26:3	road 6:10 15:2	33:18	44:2 48:16	statute 5:3 7:14
28:9 29:4	31:20 38:7	see 7:17,22 14:3	sister 12:17	8:4,6 11:24
41:12 42:1,2	Rogers 2:2	28:21 49:3	28:19 39:22	12:24 13:14
44:10	role 38:14,18	Seebauer 2:12	41:15	15:10 22:21,21
Representatives	rule 3:21 10:12	4:6,6,7,8,9	sit 4:1	22:23 23:1,3
6:25 22:17	11:3,6 24:24	24:8 30:22,25	situation 33:12	25:9,9 26:22
33:22 34:6	27:3 32:17	31:5,8,11,13	sold 5:15 15:22	36:7,10 42:22
representing	43:3 47:25	38:22 39:3,7	15:24 16:2	45:13,14
17:20	rules 2:20 26:11	39:12 48:22	23:21 37:14	stay 3:19 24:8
required 9:11	ruling 32:9	seeking 36:18	38:3 40:24	32:1 36:19
requires 12:5		seen 31:1	somebody 31:19	46:2,15
research 29:11	S	self-dealing 8:16	37:2,5,14 41:2	stayed 24:18
32:22 45:17	sale 3:5 4:13,19	sell 4:21 16:19	44:15	Steiner 1:6 2:10
residence 10:8	5:23 6:11 7:3	18:12 43:12	something's	2:12 3:3,11
residual 39:15	12:10,23 15:12	selling 7:19	30:1	7:17 10:16
resolved 15:23	15:25 16:3,16	28:15 37:4	son 38:21	15:12 19:18
respond 38:16	21:5 24:9,13	41:2	sorry 4:5 6:16,16	21:13 24:7
responds 5:18	26:4,10,15,19	send 8:25	19:11 39:1	27:23 38:11
6:3 12:4 16:17	29:14,18 32:1	sent 11:2	40:5 41:17	41:22,22,23
23:13 35:21	34:4,11,19	September 1:11	46:18	42:5 50:7
responsibility	35:10 36:19	1:18 50:8,14	sound 20:24	step 23:17
38:24	37:18 40:14	serious 12:19	South 1:1,17,20	Sterling 1:3 3:2
restrict 34:12	42:11 43:9	set 40:14 43:9	2:4,7,10,19	26:8 40:9 50:6
result 5:23	45:19,24 46:1	45:23 46:1,3	17:10 50:4,18	stinks 33:5,6
retain 14:22	46:3,14,15	46:13 48:14	special 3:10	stipulated 2:19
reverse 24:13	sales 19:16 39:16	50:13	14:14 17:21	STIPULATIO...
Richland 1:2,15	sat 28:22	seven 7:1 36:2	38:23	2:18
right 3:1 5:4	save 39:13	shared 18:22	specialty 40:3	stone 36:12
6:14,19 9:24	saying 13:25	show 5:2 10:12	specific 4:19	stop 13:14 24:12
11:13 12:17	23:3 25:19	26:14,15,18	45:14	24:13 37:13
13:17 14:11	30:4,9,12	34:13 47:25	specifically	Street 1:16 2:3,9
16:22,22 17:2	37:12 39:9	showed 3:12	22:20	Strickland 1:15
18:17 19:8,22	41:6 43:4,4,25	shows 33:18	stage 23:16	subject 32:17
20:3 21:9	says 8:9 9:2,8,11	34:19	stale 7:1	submit 47:5
23:22,25 26:17	12:10 13:13	sign 48:5,7	stand 30:7 34:20	subsequent 6:11
27:1 30:13,23	22:22 32:14	signature 30:25	standing 24:8	15:9 20:12,14
33:9 34:22	scheduled 10:25	signatures 31:1	25:12 26:12	20:21 25:6

26:15,16 36:19 46:15 subsequently 6:12 15:15 38:7 42:14 sued 27:18 sufficient 12:16 Suite 2:3,6,9 sum 43:13 summons 34:23 38:17 supervision 29:5 supports 32:20 supposed 14:13 31:15 sure 14:24 31:17 33:24 34:16 43:2 47:13 surviving 39:21 suspect 31:19 40:3	tell 9:2 13:17 31:21 tenants 7:8 terms 13:9 testament 42:8 Thank 6:21 47:22 48:19,22 49:4,5 theirs 41:8 themselves 4:21 they'd 4:1 26:12 32:25 thing 6:7 11:23 36:22 46:23 things 7:25 27:9 42:23 think 3:17 6:5 6:15 7:15,16 7:25 8:4,11 10:12,24 12:25 18:9 19:16,17 19:19 20:13 21:4 25:5,7 27:3 30:15 32:25 33:11,15 33:20 34:1,9 34:19 38:6 42:10,18 44:19 44:20 45:8 third 32:3 third-party 18:13 32:2 36:20 Thomas 10:18 21:13 27:23 three 4:24 17:23 throw 36:12 Thursday 1:11 time 6:2,5 18:23 21:21 28:20 29:10 37:25 45:2,17 46:21 47:12 timely 18:11 times 38:10	title 6:10 8:13,18 13:12 15:2 18:10 30:16 today 5:9 7:18 7:24 9:19 21:24 22:2 24:17 25:24 29:13 33:11 38:18 47:2,2 48:1 told 20:15 totally 13:12 25:8 42:21 transaction 5:16 7:15 14:1 35:25 transactions 45:2 transfer 12:1 20:6 21:2 32:8 33:14,17 34:10 43:17 46:10 transferred 28:4 46:5 transpired 31:15 tries 42:22 Tripp 2:10,12 3:11 5:20 14:16 17:24 trouble 47:17 try 36:19 trying 5:19 15:5 16:15,19 17:15 18:14 20:7 27:5,11 31:22 33:8 37:7 39:13 40:6 41:18 46:9 47:15 turn 26:18 turned 16:10 two 12:1 13:1 17:19,20 18:2 18:8 20:19 22:19 32:23	33:4 38:5 39:18,20 42:7 Tyler 2:6 type 36:21 typically 35:12 U Uh-huh 5:18 6:3 12:4 16:17 23:13 35:21 unaccounted 5:24 unclean 44:1,22 unclear 40:12 uncontested 35:14 understand 10:23 13:21,22 13:22 21:17,25 37:15 43:2 understanding 5:22 underway 29:19 undone 9:7 undue 19:25 unfortunately 44:17 use 11:9 25:7 V v 50:6 vacate 3:5,21 10:13 29:14 32:18 vacated 25:1 valid 34:10,10 34:11 validity 34:5 value 8:10,12 9:6 19:1 22:23 22:24 23:5 26:20 Vance 1:18 50:3 50:17 versus 21:7 victim 44:20	victims 20:24 violated 45:13 violation 12:2,24 27:10 void 7:15 12:22 14:9 42:20 45:15 voidable 12:10 12:11 26:10 32:8,11,15 33:13,17 voiding 25:10 vs 1:5 W wait 6:7 Walker 2:2 6:18 6:18,19,21 8:22 9:3 10:1,4 10:7,10,16,19 22:10,19 24:20 33:10 34:22,25 35:3,6 39:13 46:24 47:22 49:5 Walker's 6:15 want 6:6 8:3 11:19,20,21 14:15 15:19 16:5 19:9,25 20:12 24:1,12 24:12,13 29:13 29:13,13,25 30:2 31:17,22 31:23 37:13 40:15,16 41:5 41:6 43:1 46:14 wanted 32:24 36:21 wanting 15:21 wants 27:6 warranty 4:15 5:11 9:10 12:12 13:10
---	--	---	--	---

20:16 21:7	y'all 16:10 19:12	46:6		
wasn't 26:19,19	23:17 30:11,20	2013 13:20		
way 13:15 17:5	31:3 46:24,25	28:24		
20:17 26:12	48:17	2013-CP-40-5...		
40:20	yeah 16:2 17:1	1:2 3:2		
we'll 47:6 48:10	27:2 35:9	2015 1:11,18		
we're 4:11 6:9	37:24 38:22	17:17 29:2		
7:8 13:8 15:1,3	46:17 48:10	50:8,14		
18:13 19:14	year 15:13 27:3	215 18:25 19:20		
22:7 32:11	28:8 29:2	220 19:20		
36:18	years 6:23 7:1	220,000-dollar		
we've 6:1 20:1	14:2,3,7 17:16	18:25		
22:12 23:7	36:2	29201 2:7,10		
35:6	yield 18:8	29211 2:4		
weed 7:16		2D 1:16		
week 48:8	Z			
went 9:20 28:14		3		
45:5	0	3 8:18		
weren't 27:15,17	06 45:3	300 2:6		
27:17,21 31:3	07 45:3			
31:6	08 42:11 45:3	4		
WHEREOF		400 2:3		
50:13	1			
whichever 13:4	10 1:11 17:16	5		
Williams 10:17	10th 1:17 50:7	50 2:14		
10:18,18 21:14	11803 2:3	50,000 39:14		
willing 15:20	12 18:3			
19:23	125 19:16	6		
WITNESS	125,000 9:20	60 3:21 24:24		
50:13	1330 2:3	27:3 32:17		
woman 12:16	1331 2:6	62 8:18		
word 11:9 25:7	15 6:23 17:16	62-2-713 12:3		
47:8	1620 2:9	13:13,16		
work 46:25	17 18:2	62-3-910 13:6		
writ 10:25 11:10	1701 1:16			
17:1	172 19:17	7		
write 24:1	17th 50:14			
writs 37:22		8		
wrong 44:3	2			
wrongfully 30:5	2-26-2018 50:19	9		
30:13 41:9,19	2:00 1:12	910 8:18 9:23		
43:6,7,7	2:51 1:12 49:7	13:5 15:10		
	2000 6:22	33:18 42:18		
	2008 4:14 5:23			
	6:25 7:3,15			
X	14:19 36:1			
Y				

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PROCEEDINGS

FEBRUARY 23, 2016

STERLING LANDING GROUP, INC.,
as Agent for Regent Bank

vs.

TAMARA L. STEINER, THOMAS WILLIAMS, JR., BEN STAPLES, SCHLOSSER
CORP. acting through South Carolina State Housing Finance and Development
Authority's South Carolina Homeownership and Employment Lending Program, TERRY
HUFFSTETTER and TIN HUFFSTETTER, JOAN L. MILLER, ATLANTIC CREDIT
& FINANCE, INC., DEPARTMENT OF THE TREASURY - INTERNAL REVENUE
SERVICE, STATE OF SOUTH CAROLINA DEPARTMENT OF REVENUE and
FIRST FINANCIAL CORP.

Defendants,

KENNETH W. STEINER, III and AMIE S. SEEBAUER
Petitioners

2013-CP-40-05959

REPORTER: LISA F. HUFFMAN

000142

1 STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS
2 COUNTY OF RICHLAND) THE FIFTH JUDICIAL CIRCUIT
3 STERLING LANDING GROUP, INC.,) C.A. NO.: 2013-CP-40-5959
4 AS AGENT FOR REGENT BANK,)
5 Plaintiff,)
6 vs.) TRANSCRIPT OF PROCEEDINGS
7 TAMARA L. STEINER, THOMAS WILLIAMS) Columbia, South Carolina
8 JR., BEN STAPLES, SC HOUSING CORP.,) February 23, 2016
9 ACTING THROUGH SOUTH CAROLINA) 2:00 p.m.
10 STATE HOUSING FINANCE AND)
11 DEVELOPMENT AUTHORITY'S SOUTH)
12 CAROLINA HOMEOWNERSHIP AND)
13 EMPLOYMENT LENDING PROGRAM, TERRY)
14 HUFFSTETTER AND TIN HUFFSTETTER,)
15 JOAN L. MILLER, ATLANTIC CREDIT &)
16 FINANCE, INC., DEPARTMENT OF THE)
17 TREASURY - INTERNAL REVENUE)
18 SERVICE, STATE OF SOUTH CAROLINA)
19 DEPARTMENT OF REVENUE AND FIRST)
20 FINANCIAL CORPORATION,)
21 DEFENDANTS,)
22 KENNETH W. STEINER, III, AND AMIE)
23 S. SEEBAUER,)
24 PETITIONERS.)
25 _____)

APPEARANCES

BEFORE:

The Honorable Joseph M. Strickland, Master-In-Equity For
Richland County

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INDEX

P R O C E E D I N G

1
2 THE COURT: This is Civil Action No.
3 2013-CP-40-5959, Sterling Lending Group,
4 Incorporated against Tamara Steiner and
5 others. The matter before the court was a
6 motion to alter or reconsider a ruling we made
7 some time ago, denying a motion to intervene
8 and a motion to vacate the case, the
9 foreclosure case. Are we all on the same
10 page?

11 MR. MASSEY: We are, Your Honor. If I
12 may, I am David Massey and I'm here on behalf
13 of Amie Steiner and her brother, Tripp
14 Steiner.

15 Your Honor, you issued your order, I
16 believe, back in November. If you'll look at
17 the brief that we provided the court, I
18 believe that's Exhibit 7.

19 THE COURT: Okay.

20 MR. MASSEY: I believe you filed it
21 November 3rd.

22 THE COURT: All right.

23 MR. MASSEY: We submitted in a timing
24 fashion pursuant to rules first file date,
25 Rule 59 motion to reconsider and amend. In

1 that motion to reconsider and amend, we
2 specifically wanted the court to address the
3 petition of arguments that they made in court,
4 namely that the transfer on August -- or
5 excuse me, October 27th, 2008 would have been
6 voidable based upon 62-3-713, which prohibits
7 a personal representative from selling
8 property to themselves, unless they followed
9 three things, get a probate court order, they
10 get consent of the parties, or the Will
11 expressly allows it.

12 We also ask the court to consider, look
13 at the Will, last Will and Testament of Mr.
14 Chapel, their late grandfather, because my
15 reading of it, it does not expressly authorize
16 a personal representative to sell to herself,
17 even though that was represented to the court
18 what actually happened in this case, where, in
19 fact, it did not.

20 I also had in there the 59 motion that
21 the court's order did not address their
22 argument that the court could set aside the
23 mortgage or the foreclosure, excuse me --
24 that's a little bit foreign territory for me -
25 - based upon the doctrine of ex mero motu. Ex

1 mero motu, we are the only state in the union
2 that applies it. I stumbled upon it in a case
3 where I was representing a child that had been
4 sexually assaulted. It essentially does this.
5 The court, when it concerns the interest of a
6 child, can overlook procedural issue when they
7 believe it's in the best interest of a child.
8 It's rarely used, but it is something that the
9 court could consider, and we ask that.

10 THE COURT: How old is the child
11 involved?

12 MR. MASSEY: The child at the time of
13 these transactions was probably ten or eleven.
14 He is -- he's going to turn 18 pretty soon.
15 But that would have addressed the initial
16 inquiry.

17 We also had asked the court at the
18 original hearing to grant a continuance, to
19 allow the parties to do discovery, so we could
20 develop the issues concerning statute of
21 limitations.

22 THE COURT: Mr. Massey, the case is over,
23 unless I'm missing something here. And I
24 don't understand why Mr. Steiner is so
25 vigorously fighting it after the case is over,

1 and also some of the relief you need, I'm not
2 sure I can do it. You know, the Master-in-
3 Equity is a division of Circuit Court. And to
4 say that something was done wrong in Probate
5 Court, and I'm not sitting as Appellate Court.
6 Did you try over there? Did you have any luck
7 in Probate Court?

8 MR. MASSEY: Your Honor, we will be
9 there. But right now we are trying to protect
10 the asset that the Estate of Philip Chapel,
11 Jr., we believe, has a valid claim to. Please
12 allow me, if you would, Your Honor, and I'll
13 set forth specifically for the record exactly
14 what we're asking the court to do.

15 THE COURT: Okay.

16 MR. MASSEY: We have filed a motion to
17 intervene to allow these individuals on behalf
18 of the estates, as a fiduciary for the minor,
19 and then individually as beneficiaries, to
20 intervene, because they were never given
21 notice to the foreclosure proceeding. Not
22 until the foreclosure actually happened did it
23 take out about a hundred thousand in equity
24 from that home that was part of the estate,
25 which they could have recouped to do their

1 allocations. That's the first thing, allow
2 them to intervene.

3 The second thing is, based upon the order
4 denying the motion to vacate, they made a Rule
5 59 motion to reconsider. We have subsequently
6 learned, though, that there is now a Rule 60
7 basis for this court to inquire and to vacate
8 this order.

9 And if the court will allow me to -- and
10 Rule 60, that's 60(b)(3), which is when a
11 judgment or order was obtained through a
12 misrepresentation, fraud or some other type of
13 unlawful scheme.

14 Here's what we've learned now actually
15 happened.

16 THE COURT: Okay.

17 MR. MASSEY: Back in 2008, we do know
18 this, if we look at -- if you take the time,
19 you and your clerk, when you look at the Will
20 of Mr. Chapel, you will see that he does not
21 expressly authorize any of his personal
22 representatives to sell property themselves.
23 So the representation of the general warranty
24 deed that was executed on October 27th, 2008
25 was false. That general warranty deed also

1 states that a deed of distribution is going to
2 be filed with that deed. Your Honor, a deed
3 of distribution has never been issued in this
4 case, nor filed.

5 THE COURT: By the Probate Judge.

6 MR. MASSEY: Yes. Yes, sir. And here's
7 why it's going to become important for your
8 inquiry, though. And I did not know until I
9 looked, Tripp was kind enough to point out to
10 me on the deed -- let's find out what exhibit
11 that is -- on warranty deed, Your Honor,
12 Exhibit 5 in the brief that we have submitted
13 to you.

14 On the first page you see the warranty
15 deed, and that warranty deed falsely states
16 that this transfer was permissible, as
17 authorized by the Will of Philip Chapel. It
18 was not expressly authorized.

19 But here's where the full case changed in
20 the way I was looking at it. I turned the
21 page and I saw a signature that I did not
22 recognize on the probate. There's no name or
23 anything. I subsequently found out that that
24 signature is Phillip Shannon, the former
25 president and chief operating officer of

1 Sterling Lending Group. He was actually
2 present there, witnessed this and actually did
3 the probate.

4 Mr. Shannon would have had actually --
5 and you'll look on Exhibit 5, the continuation
6 page exhibit, A-4, although I would need a
7 magnifying glass. It's darkened out. But
8 down there it states that the deed of
9 distribution will be filed with this.

10 Mr. Shannon would have known at that
11 particular closing that he was -- just like I
12 am with Mr. Steiner right here -- two feet
13 away, that there was no deed of distribution
14 in this case. If he had taken the effort to
15 look at the Will --

16 MR. WALKER: Objection, Your Honor.

17 MR. MASSEY: -- he would have also known
18 this.

19 MR. WALKER: I'm sorry to interrupt you.
20 None of this information is properly before a
21 Court. You've got to have an affidavit in
22 order to present any of this testimony in
23 front of the Court on a Rule 60 motion. We're
24 not here today taking evidence, weighing
25 facts. Your Honor, none of this is -- none of

1 this has been verified through sworn
2 testimony. This is just legal arguments of
3 documents that are not properly in the record.
4 I'm going to state that objection. I'm happy
5 to listen to Mr. Massey --

6 MR. MASSEY: And I will agree to the
7 continuing objection, but I'd like to continue
8 with my presentation of what we're trying to
9 prove.

10 MR. WALKER: I would like to preserve a
11 continuing objection to any of this being
12 weighed by the Court, as it's not in the
13 record, it's not evidence. This brief was
14 handed to me immediately prior to the hearing.
15 We've have had no opportunity to present
16 counter-affidavits. So please note the
17 objection for the record.

18 THE COURT: I'm going to continue the
19 objection. Let me get it straight. Now your
20 clients, what are their names?

21 MR. MASSEY: This is Amie Seebauer and
22 this is Mr. Tripp Steiner.

23 THE COURT: What's Tripp's real name?

24 MR. MASSEY: Kenneth W. Steiner, III.

25 THE COURT: Okay. And your clients want

1 to be parties to this case.

2 MR. MASSEY: Yes, sir. Based upon the
3 fact that when this property, the order of
4 foreclosure was issued, the estate lost over a
5 hundred thousand in equity in that house that
6 was the estate's property.

7 THE COURT: And so they want to join the
8 foreclosure case as defendants.

9 MR. MASSEY: Well, we can't join it until
10 this Court issues an order vacating the
11 foreclosure, because that's done. That's why
12 I'm making the motion and trying my best to
13 put it on the record so you'll have it before
14 you.

15 THE COURT: I'm going to give you a
16 chance to make a full record, Mr. Massey. So
17 you want me to set aside the foreclosure
18 because two people who you think should have
19 been beneficiaries of Mr. Chapel's estate
20 weren't joined as parties to the foreclosure.

21 MR. MASSEY: No, sir. I am setting out
22 to reason to vacate the order, if I can
23 continue --

24 THE COURT: Oh, I'm sorry. Go ahead,
25 then.

1 MR. MASSEY: -- is under Rule 60, two
2 bases under Rule 60. The first basis is that
3 this was a predatory loan, and that is unclean
4 hands coming in my Sterling Lending Group.
5 The second one is that if you look at Exhibit
6 5, the order you actually signed on Page 3,
7 the second sentence, it says "The general
8 principles of law pertaining to a bonafide
9 purchaser for value", which Sterling claimed
10 that they were, "will protect the title of
11 property in the hands of such a purchaser who
12 obtained it" -- but here's the big catch --
13 "without notice of the conflict of interest or
14 act of self-dealing."

15 We have, by signature, on file used in
16 this foreclosure and we have other exhibits
17 showing that Mr. Phillip Shannon is the
18 president of Sterling Lending Group. He is
19 face-to-face at the closing. He's on actual
20 notice of the conflict of interest because he
21 knows there is no deed to distribution. And
22 that's a Rule 60 motion because your order --
23 you were given petitions by the -- or the
24 complaint, leading the Court to believe that
25 this transfer was done by authority of the

1 Will of Philip Chapel, which it was not, and
2 you were also told in Paragraph 8 in the
3 petition for foreclosure that this was a
4 purchase money mortgage.

5 Your Honor, we are prepared, if the Court
6 will allow us to present evidence, to show
7 what really happened in this case was a
8 mortgage broker through Gulf Stream met with
9 Mr. Thomas Williams, one of the original
10 defendants in the foreclosure. He took an
11 application that contained a number of
12 material misrepresentations. This broker
13 company, Gulf Stream, then contacted this
14 little small company up in Greenville called
15 Sterling Lending Group. They also were
16 mortgage brokers. They are owned by a bank
17 corp out of Florida.

18 What they did was not a purchase money
19 order on a mortgage, which they represented to
20 Your Honor. What they actually did was they
21 looked at Mr. Williams' credit score, which
22 was like low 500. He had outstanding
23 judgments. He only made \$31,000 a year, \$2500
24 a month, and they were going to give him a
25 note where he had to make \$1500 a month in

1 payment. And then what they did was they gave
2 him this personal adjustment rate note and
3 just two minutes -- seconds later at the same
4 table with Mr. Phillip Shannon sitting there,
5 then they put a mortgage, an adjustable rate
6 mortgage and they bring in their sister to
7 secure it.

8 Under the South Carolina Consumer Home
9 Loan Act, there are a number of violations of
10 the law in that, giving someone a note that is
11 making them make a payment that's more than
12 half the monthly income.

13 Also, we believe that they are predatory
14 before they even sat down to close the
15 statement. This man had no possible way of
16 satisfying that note. They are coming in with
17 unclean hands, that's the Sterling Lending
18 Group.

19 We also believe that in the petition --
20 or the complaint for foreclosure, Your Honor -
21 - and this is important because there is a
22 case called "Chewning versus Ford Motor
23 Company," which our Supreme Court decided in
24 2003, which states when any party makes
25 material misrepresentations to the court that

1 the court must rely upon, these intrinsic
2 types of misrepresentations, namely that the
3 property was transferred as authorized, which
4 was a misrepresentation. This purchased money
5 mortgage, that was a false representation to
6 you. But based upon that information, you
7 believed it as true and he went on and
8 foreclosed.

9 We're stating, Your Honor, there was no
10 statute of limitations on "Chewning versus
11 Ford Motor Company." And I have a copy of the
12 case, if you'll allow me to approach the bench
13 and give your clerk --

14 THE COURT: Sure.

15 (Brief pause.)

16 MR. MASSEY: At the end of the day, Your
17 Honor --

18 MR. WALKER: Is the case in the brief?

19 MR. MASSEY: Excuse me?

20 MR. WALKER: Is the case in the brief?

21 MR. MASSEY: I believe it is, and in the
22 citation.

23 Your Honor, at the end of the day, we
24 believe that the Sterling Lending Group as a
25 predatory lender that saw this guy that didn't

1 even own the property. On his application, he
2 said he was married, which he wasn't.

3 What happened was, they lent this man
4 cash on top of -- they gave him 20-something
5 thousand dollars in cash and gave him a
6 hundred and sixty-something thousand dollar
7 loan, when they knew, or should have known
8 absolutely that he would fail. We believe a
9 violation of the South Carolina Consumer
10 Predatory Lender Act is unclean hands, and in
11 a court of equity, they should not be able to
12 make this enforcement.

13 We believe now that we have legal actions
14 now against Sterling Lending Group, one for
15 civil conspiracy and another for violation of
16 the South Carolina Predatory Lender Act.
17 Those will have to go to circuit court. But
18 at the end of the day, Your Honor, this asset
19 -- I believe the only way Sterling Lending
20 Group agreed to give this man the terrible
21 credit and no income and judgments alone this
22 big. Was they knew that he was going to be
23 able to acquire an interest in their late
24 grandfather's house that was free of any
25 liens. It was worth approximately 300,000.

1 THE COURT: Okay.

2 MR. MASSEY: They were in a win/win
3 situation by doing that.

4 THE COURT: Mr. Massey, let me get clear
5 in my mind what your clients want. Your
6 clients, who are here today, want to be
7 defendants in a foreclosure action?

8 MR. MASSEY: We would like to be
9 defendants in a foreclosure action. That's
10 one way that we could show that we can make
11 our claims through lawful discovery.

12 THE COURT: All right. Did your clients
13 sign a note and mortgage?

14 MR. MASSEY: No, sir.

15 THE COURT: Do your clients have a lien
16 against the property?

17 MR. MASSEY: We believe the transfer
18 itself the mortgage was based on was voidable
19 and therefore it can be declared void. We
20 also believe the unclean hands of Sterling
21 Lending Group does not allow them to enforce
22 this mortgage in equity.

23 THE COURT: But did you -- I think I
24 asked you a question.

25 MR. MASSEY: I'm sorry, Your Honor.

1 THE COURT: Did your clients sign a note
2 and mortgage?

3 MR. MASSEY: They did not.

4 THE COURT: Okay. Now explain again --
5 and maybe I, you know, maybe I am a little
6 sleepy or something, but how are they in a
7 position to become defendants in a lawsuit?
8 They don't have a lien against the property.
9 They didn't sign the note and mortgage. And
10 you're saying they are heirs of the person
11 that borrowed the money? Or --

12 MR. MASSEY: No. They were heirs -- they
13 were beneficiaries, devisees, of the \$300,000
14 house.

15 THE COURT: They were devisees. You mean
16 --

17 MR. MASSEY: Mr. Chapel awarded five of
18 his children, one grandchild, an equal
19 interest in that \$300,000 house. There was
20 equity in that house. There was equity in
21 that house, okay, above and beyond Sterling
22 Lending Group, over a hundred thousand. That
23 equity is gone now.

24 THE COURT: That's right. If the house
25 moved to foreclosure, they can't inherit

1 anything.

2 MR. MASSEY: Right.

3 THE COURT: And so they were victims of a
4 predatory lender. And so heirs of somebody
5 who lost the house in foreclosure wanted to
6 become part of a foreclosure case.

7 MR. MASSEY: That's the only way that
8 they can come in and try to protect that
9 hundred thousand from being sucked out,
10 because --

11 THE COURT: I have to get the statute
12 straight.

13 (Off-the-record discussion Mr. Steiner to
14 Mr. Massey.)

15 MR. MASSEY: The Judge gets that. In
16 2008, the estate owned that property, we
17 believe it was wrongfully transferred. The
18 mortgage was predatory and it was wrongfully
19 done. But just as important, Philip Shannon
20 was there, so he had notice that there was no
21 deed of distribution and that it wasn't
22 transferred properly by the Will. And what
23 we're saying is, under Rule 60, since the
24 foreclosure just happened I believe -- I don't
25 know the date you signed your foreclosure, but

1 all we need to do is make a Rule 60 within one
2 year and it can be reopened.

3 All we're trying to do right now is see
4 if -- because if they sell this property for
5 202,000 to some lucky buyer, they've pretty
6 much been robbed of their hundred thousand by
7 a bad act by one of their sisters and her
8 live-in roommate and also bad act by Sterling
9 Lending Group, who saw this weak person and
10 preyed upon him. And the only people that
11 really lost is not her sister and brother,
12 because they pocketed the estate's money.
13 It's gone, and we're going to deal with that.

14 Sterling Lending Group made over 70-
15 something thousand dollars in payments before
16 they had to go to foreclosure. They're
17 getting a house that's worth 300,000, so it's
18 a windfall for them. The only people that
19 have lost by these unlawful transactions are
20 the heirs that had right to that house. And
21 that's all I'm trying to say, if we open up
22 the foreclosure, at least that equity is still
23 available to the family.

24 THE COURT: All right, so if we open up
25 the foreclosure and start all over again,

1 that's kind of what you want, right? You want
2 them to start all over again, then name your
3 clients as defendants in a foreclosure, and
4 say the foreclosure goes through again and
5 judgment, it means your clients will have a
6 judgment against them.

7 MR. MASSEY: That is correct, Your Honor.
8 But I do not believe that a court in equity
9 will allow a party that comes in with unclean
10 hands to enforce an agreement. I think it
11 would be modified, and that modification may
12 be to see if we can get some of the equity out
13 of the house to the heirs. They never had a
14 chance to argue this.

15 THE COURT: Yeah, Mr. Massey. But that's
16 one of the tragedies of foreclosure is I see
17 people every day who paid on mortgages for
18 years and years and whatever reason have a
19 problem and they can't make the payments and
20 they go into foreclosure. And many of them,
21 you know, say "What about the money I put in
22 this property?" And that's one of the
23 tragedies of foreclosure, you do lose that.

24 MR. MASSEY: And I'm aware of that, Your
25 Honor.

1 THE COURT: I understand.

2 MR. MASSEY: But the title to the
3 property was not clean when it was transferred
4 on October 27th, 2008 and when it was
5 encumbered.

6 THE COURT: Now, would it make more sense
7 for your clients to sue them instead of become
8 defendants in a, you know, foreclosure case?

9 MR. MASSEY: Well, all we're trying to do
10 is preserve that hundred thousand dollar
11 equity, and this is the only way I know how to
12 do it because if you rule denying the 59, deny
13 the 60, grant them their foreclosure, then
14 whatever the rules are -- and Drew knows them
15 much better than I do -- then they can sell it
16 to the first person that comes up with
17 \$202,000 in cash.

18 THE COURT: Well, but still, why don't
19 you sue the people you think got the money
20 that they should not have got.

21 MR. MASSEY: Well, we actually, I believe
22 in our brief stated that we're going to do
23 that in the Court of Common Pleas, the civil
24 conspiracy and the predatory loan act. And
25 those are legal issues that have to be signed

1 by juries.

2 THE COURT: Why have you not done it yet?

3 I mean --

4 MR. MASSEY: We did not find out about
5 Mr. Philip Shannon and this loan structure
6 until two weeks, Your Honor.

7 THE COURT: Two weeks ago?

8 MR. MASSEY: And we've been trying to
9 find out all this information on him. We
10 found out that Sterling is a small little
11 group totally owned by Regent Bank, that
12 Sterling is really a mortgage broker, not a
13 lending corporation that gives out money. But
14 these are things that we'll have to have
15 evidentiary hearings for, present witnesses,
16 affidavits and things of that nature.

17 THE COURT: But wouldn't it make more
18 sense just to file a lawsuit against the
19 alleged wrongdoer, as opposed to joining as a
20 defendant in a case that's open and --

21 MR. MASSEY: Well see, the only way that
22 that may work, Your Honor -- and that could be
23 an option -- is if I could get the circuit
24 court to issue a stay and prevent them from
25 selling it, but then that brings up issues of

1 bonds and things like that --

2 THE COURT: Right.

3 MR. MASSEY: -- which is -- this is more
4 the spot where we could probably stop it with
5 the least encumbrance upon everyone. Because
6 you could, Your Honor, actually do this, I
7 will tell the Court that we will be -- I
8 actually contacted a firm out of Charleston to
9 bring these civil actions. But we could
10 assert to the Court that within two weeks, we
11 will file the actions in the Court of Common
12 Pleas and upon showing evidence of that, if
13 you could send the foreclosure matter back to
14 the Court of Common Pleas, that that's an
15 alternative.

16 But, Your Honor, I'm at a quandary. And
17 I understand your logic, where you're coming
18 from, but I don't know how I could keep from
19 losing that hundred thousand dollars. And Mr.
20 Shannon is gone; we can't even find him now.
21 He's no longer the owner or president of the
22 company; his secretary is. And we believe
23 that the best way to preserve the estate's
24 equity, rather than let it go, is to hold it
25 here, and then we can proceed up there. Or

1 you could send the foreclosure up to Common
2 Pleas.

3 THE COURT: Now, if your clients want the
4 property, want to preserve the equity, do your
5 clients want to buy the property from the new
6 owner?

7 MR. MASSEY: Well, that would mean they
8 would have a loss of almost \$300,000, okay?

9 THE COURT: A loss?

10 MR. MASSEY: Because they never received
11 any of the 202,000, plus, you know, they would
12 have the equity they would be buying from
13 them. It's actually \$200,000 loss.

14 THE COURT: So you're going to sue the
15 people that got the money.

16 MR. MASSEY: Yes, sir.

17 THE COURT: But you don't want the house
18 itself. You just want the equity in the
19 house, without owning the property. I don't
20 know. Mr. Walker, would your clients sell the
21 property back to these Petitioners?

22 MR. WALKER: Your Honor, I don't know the
23 answer to that question at this time. Drew
24 Walker on behalf of the Plaintiff. You know,
25 they own the property. They're, you know, I'm

1 sure marketing it and do not want to keep it
2 in their portfolio for eternity. And I don't
3 know if they would or not. We would, you
4 know, be willing to listen to whatever
5 proposals they have to say.

6 But, Your Honor, we're here on -- just to
7 clarify procedurally -- three motions have
8 been filed since you ruled -- since you gave
9 your order. One, I believe is a motion for
10 reconsideration under order. The second was
11 styled as a motion to intervene and vacate
12 foreclosure under Rule 24 and Rule 60. And
13 the third is the same title, and it was just
14 filed -- I think it was some more detail on
15 February 2nd.

16 These motions are being filed at a rapid
17 pace. They're being filed by pro se
18 individuals that don't completely have command
19 over what is happening. This is the third
20 time we've been here on a -- or this is the
21 third motion, in February, that's been filed
22 on a motion to vacate a sale. That's been
23 ruled upon. They filed two motions since the
24 ruling on that.

25 Your Honor, they were starting to abuse

1 the process a little bit, of what this Court's
2 here to do, because a ruling has been made on
3 that. If they want the Court to reconsider
4 its ruling, by all means, let's have that
5 argument. We're having it. We're here on
6 that.

7 But, Your Honor, if I could, my
8 understanding is that all three of these
9 motions are being heard today. Is that the
10 Court's understanding?

11 THE COURT: Well, yes.

12 MR. WALKER: Okay. I think they've been
13 properly noticed. The Plaintiff filed them.
14 We're here to address them all.

15 THE COURT: When was the sale?

16 MR. WALKER: The sale was February the
17 2nd, I believe, according to the Court's
18 order. So yes --

19 THE COURT: This year?

20 MR. WALKER: This year, I believe. Let
21 me look back; I'm not sure, Your Honor. I'm
22 sorry, February 2nd, 2015, so --

23 THE COURT: And today's February 23rd,
24 2016.

25 MR. WALKER: That's right, Your Honor.

1 And so it's been over a year. We believe that
2 -- I think we had some trouble getting the
3 tenants out of there. But the concern is
4 these pro se Defendants are filing is to
5 delay, delay, delay. Not to mention the fact
6 that they are -- this is not the procedural
7 forum to have all of this evidence presented
8 to the Court, is the reason for my objection.

9 And, Your Honor, even if it was to be
10 considered, I don't see a showing of unclean
11 hands, I don't see a showing of predatory
12 lending. They feel so passionate about it.
13 They feel compelled to read Rule 11 and file
14 that in circuit court, then can do that and
15 we'll file the appropriate motions to dismiss.
16 We'll file the appropriate motions.

17 But to bring all this in after the fact,
18 not as a party, is not procedurally correct.
19 And substantively, I haven't heard anything,
20 or haven't had the chance to read all of this
21 brief, but I'm not putting -- I'm not
22 connecting the dots on where the unfair
23 lending and unclean hands are, Your Honor.

24 We had a price for a piece of property
25 that was approved in the Probate Court. It

1 was sold for such a price. This estate does
2 not -- these people that are claiming to be
3 heirs or devisees of the estate are not happy
4 with that sales price. But the fact is, that
5 sale happened in 2008, which was six years
6 ago, Your Honor. They've had that long to
7 bring this up, to raise this, and now they're
8 raising it after a foreclosure sale that I'm
9 fairly -- I don't know this, but if we had to
10 get into this, I'd like to see some affidavits
11 of when they became aware of the foreclosure.

12 Your Honor, this foreclosure been over
13 for a year, and we're ready to move on with
14 it. We're having to pay a lot of attorney's
15 fees to come here and challenge these motions
16 that are --

17 THE COURT: Your client bought them. It
18 was the lender, I think, that bought the
19 property at the judicial sale.

20 MR. WALKER: They did, Your Honor.

21 THE COURT: So they recorded the deed.

22 MR. WALKER: They have.

23 THE COURT: And so your client, if they
24 want to sell it to these two Petitioners,
25 could do it if they offered a reasonable

1 price. Are you marketing it?

2 MR. WALKER: My understanding is that --
3 my impression would be, yes. I don't have
4 personal knowledge of that though, Your Honor.
5 So I can't represent that to the Court, but, I
6 mean, I do agree with you that in theory they
7 can certainly enter into discussions with
8 these individuals --

9 THE COURT: I think Mr. Massey's point is
10 that they don't have to buy it. They suppose
11 to inherit this property --

12 MR. WALKER: Your Honor --

13 THE COURT: -- and they got to --

14 MR. MASSEY: The title never transferred,
15 because the title transfer was in violation of
16 SC Code 62-3-713.

17 MR. WALKER: And Your Honor --

18 MR. MASSEY: You cannot sell -- a
19 personal representative cannot sell it to
20 herself.

21 MR. WALKER: Your Honor -- Your Honor --

22 THE COURT: Well, what do you do here
23 then? I mean, if you wanted the Probate Court
24 -- and this happened some time ago in the
25 Probate Court, why are you coming here after

1 foreclosure --

2 MR. MASSEY: The probate can't stop the
3 foreclosure, only you can.

4 THE COURT: No, the foreclosure's over.
5 They can certainly deal directly, you know.
6 If the Probate Court ruled that what you say
7 is accurate, then you are in business, you
8 know. And the Master-in-Equity is, you know,
9 a division of circuit court. And once we get
10 a case referred to us we have the same power
11 as a circuit court judge. But I'm still --
12 again, maybe I still don't understand the
13 facts. Your clients weren't parties to the
14 note and mortgage.

15 MR. MASSEY: Correct.

16 THE COURT: And he said that there was no
17 deed of distribution issued for them, so
18 they're not -- you know, they're not
19 identifying or, you know, as heirs, as far as
20 I can tell. And you make some very
21 interesting arguments, but you're talking
22 about what happened in Probate Court years
23 ago.

24 MR. MASSEY: No. We're actually talking
25 about what happened on October 27th, 2008 when

1 the president of the Sterling Lending Group
2 knew there was no deed of distribution and he
3 still went ahead and did a personal loan
4 secured by a mortgage to a person who would
5 never be able to pay it, with a piece of
6 property that was all equity.

7 THE COURT: No deed of distribution to
8 whom?

9 MR. MASSEY: No deed of distribution to
10 transfer the property.

11 THE COURT: To who?

12 MR. MASSEY: To the -- to her sister and
13 her sister's boyfriend. You'll look at the
14 mortgage, it states the deed of distribution
15 is going to be filed. You look at the
16 warranty deed that says it's going to be
17 filed, it was never issued. If a deed of
18 distribution had been issued in this case, no
19 one would be here.

20 THE COURT: A deed of distribution to
21 whom?

22 MR. MASSEY: The deed of distribution
23 would have been issued by the Probate Court to
24 Tamara and Thomas Williams, Jr. and it would
25 be filed with the RMC to show that the

1 property was not in violation of 62-3-713.

2 THE COURT: So you're here today because
3 your clients believe that the Probate Court
4 made a mistake by not issuing any distribution
5 to your clients when their grandfather died.

6 MR. MASSEY: Well, that's --

7 THE COURT: A personal representative --

8 MR. MASSEY: It's not the Probate Court.
9 It's you because you are the Master of the
10 color of the title of this property. And we
11 are stating that this title to this property
12 is tainted because it was never transferred
13 property, and therefore it was encumbered
14 improperly because the encumber actually knew
15 it was being transferred improperly.

16 THE COURT: Okay.

17 MR. WALKER: Your Honor, those issues are
18 actually not before the Court and they
19 shouldn't be within this action --

20 MR. MASSEY: That's Rule 59, motion to
21 reconsider.

22 THE COURT: Still talking about Probate
23 Court, though. So you're saying your clients
24 should have gotten the deed of distribution
25 making them the owners of that property that

1 was transferred by the personal
2 representative?

3 MR. MASSEY: No, sir.

4 THE COURT: Okay.

5 MR. MASSEY: I'm stating that when the
6 sale is done, in order to make the sale
7 proper, the closing attorney should have taken
8 that upon himself.

9 THE COURT: In 2008?

10 MR. MASSEY: But they're saying that a
11 deed of distribution was done, and it wasn't.
12 The deed of distribution protects the
13 encumber. It also protects the person
14 purchasing.

15 THE COURT: So your client should have a
16 deed in their name making them owners of the
17 property that was sold --

18 MR. MASSEY: No, the Probate Court would
19 approve of this sale with no --

20 THE COURT: You might want to talk to
21 your because he was nodding his head --

22 MR. MASSEY: I'd like to finish my
23 argument, okay?

24 THE COURT: Oh, I'm sorry. I'm sorry.
25 Go ahead.

1 MR. MASSEY: The way it would work is,
2 the Probate Court did approve \$125,000 sale
3 price to their other sister, Lori, earlier on.
4 Since they approved that, though, a lot of
5 additions were done to the house. So the
6 statement that Probate Court somehow approved
7 the sale price is not correct.

8 Mr. Steiner actually went to the Probate
9 Court and asked the Court to give him a deed
10 of distribution to his sister Lori. That sale
11 fell through. He was no longer the personal
12 representative; his sister Tamara and sister
13 Lori then became. That's who should have gone
14 to the Probate Court and gotten the deed of
15 distribution that Sterling Lending Group says
16 they have and they're going to file.

17 THE COURT: So your clients sitting here
18 today was at one time the personal
19 representative of the estate?

20 MR. MASSEY: Yes, sir.

21 THE COURT: Why was he -- why was it
22 changed? I mean, why would he change the PR?

23 MR. MASSEY: Because he was working with
24 a political consulting company here and he
25 could no longer keep up with the estate. So

1 he told his sisters "Y'all can do it." But
2 that still doesn't make the transfer -- these
3 people deserve notice and they never got it.

4 THE COURT: The Court determines who the
5 personal representative is. And so I'm
6 confused again. You voluntarily gave up --
7 stopped acting --

8 MR. MASSEY: You determined the title,
9 though.

10 THE COURT: But the Probate Court, they
11 decide if they change personal
12 representatives, has the power to do it. They
13 do it all the time. In your case, you said
14 that your client has chose to stop acting as
15 personal representative. If he was the
16 personal representative of the estate at one
17 time and never got the deed --

18 MR. MASSEY: He was relieved of that
19 duty.

20 THE COURT: All right. By a court order?

21 MR. MASSEY: I believe by court order.

22 MR. STEINER: Tamara Steiner petitioned
23 the Probate Court to -- because her and Lori
24 Steiner were subsequent administrators -- and
25 had her appointed to facilitate this

1 transaction that had the conflict of interest
2 in 2008, which is voidable. And we, as heirs
3 of Phillip C. Chapel, Jr., would have been
4 entitled to a deed of distribution prior to
5 that sale in the property that we're talking
6 about. And so our interest in that property
7 was there before that 2008 sale. And because
8 of the statute that Mr. Massey mentioned is
9 voidable because that sale in 2008 was done,
10 expressly stated in the Will and Testament and
11 was not approved by the Probate Court and was
12 not approved or signed off on by any of the
13 heirs.

14 MR. MASSEY: And Sterling Lending Group
15 president knew it.

16 THE COURT: I'm getting more and more
17 confused. But you were the personal
18 representative of the estate at the time that
19 happened?

20 MR. STEINER: I was personal
21 representative up until August, just before --
22 weeks before the sale happened, while I was
23 traveling for a presidential campaign during
24 the time. My sister went to the Probate
25 Court, asked to be appointed subsequent

1 administrator, got the document, the
2 appropriate document. Two days later, a
3 transaction transacted the sale.

4 THE COURT: So in other words, your
5 sister had you relieved as personal
6 representative because you were out of state,
7 or you were --

8 MR. STEINER: Yeah, because I was out of
9 state unable to -- to do anything with this
10 transaction. She got that so she could do the
11 sale and sell it to herself, and then did
12 nothing else.

13 THE COURT: When was this?

14 MR. STEINER: In 2008. October of 2008.

15 THE COURT: Before that particular
16 transaction took place, you were the personal
17 representative?

18 MR. STEINER: Yes, sir.

19 THE COURT: Now, that means that you were
20 in position to issue deeds of distribution to
21 all the heirs before you left.

22 MR. STEINER: Yes, sir.

23 THE COURT: What happened? Why didn't
24 that happen?

25 MR. STEINER: We were going to sell this

1 house to another sister of mine, not Tammy --
2 not Tamara -- not Tamara.

3 THE COURT: Yes.

4 MR. STEINER: That sale was approved by
5 probate and to sell it to her at -- and for
6 125, but that also included about \$35,000 in
7 her value of the residual estate that she was
8 going to basically take that and the property,
9 to get that 125,000, we're actually selling
10 her in essence the house for 155,000. The
11 Court said that -- we sold it to her to work
12 out with her and that we had been trying to do
13 that for a while. And if not, then we needed
14 to market and sell the home, that property, at
15 a market rate.

16 MR. WALKER: Your Honor, now that Mr.
17 Steiner has started testifying, I just note
18 that my objection continues on to his --

19 THE COURT: I didn't swear him in, but I
20 have no reason not to believe him.

21 MR. WALKER: Sure. No, absolutely. I
22 just want to note it for the record.

23 THE COURT: Yeah.

24 MR. STEINER: And so then, she -- my
25 sisters, together, sold the property and the

1 conflict of interest at that -- that point of
2 sale -- well, I'm sorry, let me back up. The
3 sale to my other sister at the time as
4 personal representative selling it to Lori, my
5 other sister, would have been okay, but it
6 changed because in this 62-3-713 statute
7 didn't apply then. It applies to the sale
8 because Tammy, as personal representative, had
9 a conflict of interest at the time of that
10 sale. And according to that statute, that
11 sale is voidable by heirs who are parties with
12 interest in the property.

13 THE COURT: Why -- well, I still don't
14 understand what we're doing here today,
15 because -- I don't have a reason not to
16 believe you, but you're saying that the sale
17 was voidable.

18 MR. STEINER: Yes, sir.

19 THE COURT: Does it have to be voidable?
20 Or could it be voidable?

21 MR. WALKER: Your Honor, this Court has
22 already ruled on this issue. We're here on a
23 motion to reconsider that.

24 THE COURT: No, I understand. But I want
25 the record to be clear. Just -- there may be

1 an appeal in this case; maybe not. But either
2 way I rule is going to ruffle some feathers.
3 So I don't mind. The court reporter is taking
4 everything down, so somebody reading this
5 transcript will know what was going on.

6 MR. MASSEY: This is a court of equity.

7 THE COURT: Oh, thank you.

8 MR. MASSEY: Everyone has to come in here
9 with clean hands if they're seeking relief.

10 THE COURT: Right --

11 MR. MASSEY: And be able to assert it in
12 our brief to show evidence of unclean hands.

13 THE COURT: Mr. Massey, please don't talk
14 down to me.

15 MR. MASSEY: Yes, sir.

16 THE COURT: I have been Master-in-Equity
17 since July --

18 (Talking over each other.)

19 MR. MASSEY: I'm not meaning to.

20 THE COURT: Well no, but, you know, when
21 you're standing here telling me that this is a
22 court of equity, you're implying if I rule
23 against you that I'm being unfair. And quite
24 frankly, I still can't get the facts straight.
25 Maybe I forgot, but to find out that one of

1 your clients was a personal representative.
2 He's complaining because another personal
3 representative didn't do their job is
4 interesting. Let's put it like that.

5 And your response is that this is a court
6 of equity, you're implying if I rule against
7 you it would be unfair and, you know, and kind
8 of talking down to me. You know, I've tried
9 to be patient. You said that so many times in
10 this argument. Does that mean that even
11 though you don't have any case to support your
12 position, that even though what you're asking
13 for actually makes no sense, you know, but
14 because it's equity has to do with it anyway,
15 according to equity.

16 You know, I'm trying to figure out if he
17 is the PR and he's complaining because the
18 deed of distribution wasn't issued as it
19 should have been. I mean, he can't sue
20 himself. But he probably ought to sue the
21 people he thinks committed the wrongdoing.
22 And again, I can't figure out why your clients
23 want to be defendants in a foreclosure that's
24 already over. And again, maybe it's my fault.
25 I don't understand. But I'm kind of

1 scratching my head. And I keep trying to get
2 the facts straight. And every time somebody
3 says something, a different set of facts come
4 in.

5 But the bottom line is your clients want
6 to be parties to this foreclosure, and with
7 the foreclosure set aside, and they want to be
8 named as defendants in a foreclosure. I think
9 that's what you argued, right?

10 MR. MASSEY: That would be the procedural
11 status, Your Honor. But may I make perfectly
12 clear for the record --

13 THE COURT: Mr. Massey, you keep saying
14 --

15 MR. MASSEY: I can't --

16 THE COURT: -- no, you keep asking if you
17 can make the record, you know, when I'm
18 talking. Have I told you not to stop talking
19 or to sit down? I haven't done that Mr.
20 Massey. So you don't have to -- you are
21 asking permission, as if I'm keeping you from
22 making your argument. In fact, I think I'm
23 going to sit down and we don't have anything
24 else until 3 o'clock, and quite frankly, you
25 can talk till five or six or seven if you want

1 to, and I'll listen to you, you know. And
2 this is going to be a very interesting record
3 to read, you know. And hopefully the person
4 that reads it, or the appellate judge that
5 reads it, you know, if it comes to that, will
6 have some expertise in probate law. . .
7 Apparently I'm not -- you know, I don't have
8 expertise to know what's going on here,
9 because I'm still confused as to why you're
10 here, quite frankly. And I'm going to sit
11 down and let you finish your argument -- and
12 you've implied several times that for whatever
13 reason we're cutting you off, and I'm not
14 cutting you off. So I'll sit down and you can
15 talk for hours if you want. We might have to
16 take a break, you know, for something. You
17 can talk as long as you want to. And I'll
18 refrain from asking questions.

19 MR. MASSEY: May it please the Court.

20 THE COURT: Yes, sir. Please proceed.

21 MR. MASSEY: Your Honor, if I could
22 specifically put on the record, I am in no way
23 implying that this Court is being unfair.
24 I've been doing this 33 years and you've been
25 the Master-in-Equity most of those. And I

1 know you know the equity laws inside and out.
2 I'm coming to you based upon the law today,
3 not necessarily a fairness or unfairness
4 claim. But the law does state, when a party
5 comes into this courtroom seeking equitable
6 relief, they must come with clean hands. And
7 if they come in with unclean hands, the courts
8 could consider that. And that's what we've
9 asked the court to do.

10 And we've set forth in our brief where we
11 mentioned the Chewning case, which would give
12 this court a basis to vacate it. Simply upon
13 the complaint that was submitted to this Court
14 for foreclosure contain a false
15 misrepresentation about what the Will
16 authorized and it contained a false
17 representation to this Court that it was a
18 purchase money order. When in fact it was a
19 personal -- adjustable personal rate and note
20 with a balloon payment secured by a mortgage
21 by this Sterling Lending Group.

22 Your Honor, we can bring the other
23 action. And again I state it on the record,
24 we have contacted another firm about that that
25 is more familiar with consumer cases. You

1 know that I do not appeal to foreclosure or
2 anything of that nature, and I will always
3 yield to your expertise in that.

4 But I have four members of this estate
5 who have shown me that the October sale -- two
6 things. Number one, that it's voidable under
7 62-3-713 and you're here to determine whose
8 got the lawful title to that. So I would
9 assume I would yield and come to you. The
10 second basis, Your Honor, is that now we see
11 evidence that this was a predatory loan. And
12 we're going to need to explore that in the
13 Court of Common Pleas because that's a jury
14 trial issue. But that would be evidence of
15 unclean hands that this Court could also state
16 that they did not take their encumbrance in
17 good faith without notice, like you put in
18 your order in November when Phillip Shannon
19 actually was president and he's the president
20 of the company.

21 That is what I wanted to put on the
22 record. The only way that I knew to do it is
23 I can't go in Probate Court because the
24 foreclosure will go through. And the minute
25 this property is sold, the 100,000 equity is

1 sucked out of that house and they lose that
2 money.

3 THE COURT: When you say "the foreclosure
4 will go through --

5 MR. MASSEY: I mean the sell of -- excuse
6 me, the sell of the foreclosed property.

7 THE COURT: Okay.

8 MR. MASSEY: And that's why we came and
9 asked you to vacate the order of foreclosure.
10 And then when you denied it, we came back with
11 first a Rule 59 and then I believe they
12 submitted two Rule 60s, one of which obtained
13 the motion to intervene because before any
14 court could even consider this, they would
15 have to become a party. That's what we have
16 submitted, Your Honor.

17 THE COURT: The code section you cited is
18 a probate code, though; isn't it? You cited
19 Section 62 dash -- I'm sorry. That's a
20 probate code; isn't it?

21 MR. MASSEY: It is, Your Honor, but does
22 not this Court have the authority to determine
23 the clear title to a property? And if the
24 property was not transferred properly,
25 couldn't you declare that --

1 THE COURT: So you want me to go back --
2 you want a quiet title?

3 MR. MASSEY: Essentially, we're asking
4 you to quiet title and, you know, void that
5 October 27th, 2008 sale.

6 THE COURT: Quiet title to whom? Who
7 would be the --

8 MR. MASSEY: It would be the Estate of
9 Philip Chapel, Jr.

10 THE COURT: The estate hasn't asked me to
11 do that. So what standing does your client
12 have to ask for something be quiet in the
13 estate that's not a party to us today?

14 MR. MASSEY: In our brief --

15 THE COURT: I'm getting more and more
16 confused.

17 MR. MASSEY: In our brief, we stated that
18 they are appearing here today individually on
19 behalf of the estate of the late Philip
20 Chapel, Jr. and on behalf as fiduciary for the
21 minor child. So we are asserting all those
22 entities have a dog in this fight.

23 I really am at wits end as regards to the
24 quiet title. I just believe that I think
25 they've at least shown indicia that would

1 possibly require further inquiry and
2 discovery, which we've asked to do, to look
3 into -- number one, were there unclean hands
4 in Sterling Lending Group. And then they
5 would be -- the Court, since they were never
6 party to the original foreclosure and weren't
7 hurt until it was foreclosed, you could
8 consider that on a quiet title action.
9 Likewise, you could consider the validity of
10 that probate statute and you could quiet the
11 title that way.

12 (Brief pause.)

13 MR. MASSEY: And, Your Honor, Mr. Steiner
14 pointed out to me, your ruling itself that's
15 Exhibit 7, I believe, actually notes two
16 probate codes, 713 and 910.

17 THE COURT: Right.

18 MR. MASSEY: That initially is what the
19 Sterling Lending Group's proposed order stated
20 that 910 somehow protects them and would
21 override or void out 62-2-713.

22 Again, Your Honor, this is very confusing
23 for me too, because I tried to get over in
24 Probate Court and get everybody to stay and
25 everything, and they said "No. Master is

1 going to go forward." So that's when I told
2 him "Need to go over to the Master, to see if
3 you can stop that." And these are my
4 neighbors and they kept coming by. And they
5 said -- the only way I can see is to vacate
6 the order, and I don't -- these are the only
7 vehicles I know they can do it.

8 THE COURT: Did the Probate Court realize
9 the judicial sale was a year ago, over a year
10 ago.

11 MR. MASSEY: I do not know. We were in
12 probate with them probably six months ago.
13 And we filed everything within the year, the
14 notes to challenge and everything of that
15 nature.

16 THE COURT: Okay. Yes, Mr. Steiner.

17 MR. STEINER: I just wanted to mention
18 that the 32 --

19 MR. MASSEY: 62.

20 MR. STEINER: Or 62-3-910 in your ruling
21 says that the bank is protected -- would be
22 protected by any of the subsequent sale of
23 2008. But that requires a deed of
24 distribution for that protection, which was
25 never issued.

1 MR. WALKER: Your Honor, it requires an
2 instrument or a deed of distribution. These
3 proposed interveners keep conveniently
4 ignoring the word "instrument." An instrument
5 is a general warranty deed. A general
6 warranty deed was issued by the personal
7 representatives. It was not a deed of
8 distribution. We're getting caught up in
9 semantics here. And when the code says an
10 "instrument," that includes a general warranty
11 deed, as we all know is an instrument.

12 And they've been trying to confuse this
13 issue the entire time. But the fact that the
14 personal representatives gave a -- or gave a
15 general warranty deed to borrowers that my
16 clients, the bank, in good faith gave a loan
17 on is protected under the exact statute that
18 Your Honor ruled upon.

19 THE COURT: Mr. Massey.

20 MR. MASSEY: Your Honor, I need to submit
21 this and put it before the Court, since they
22 brought it up now. Mr. Steiner was able to
23 locate, I believe, Section 62-3-907 through
24 63-910. It also contains the reporters
25 comments and notes. And it's a document three

1 or five pages that I'd like to submit to the
2 Court for their review, if I may approach the
3 bench.

4 THE COURT: Yes, sir. What purpose?

5 MR. MASSEY: The purpose being that this
6 is also a Rule 59 motion to reconsider. And
7 we believe the Court's interpretation, 62-3-
8 910, by signing the order submitted by the
9 claimant, Sterling Lending Group, did not read
10 62-3-910 with the other statutes, as the
11 reporter noted it would be required to do.

12 If you turn to Page 3 of the document
13 that I submitted to you and look at the
14 reporter's comment, it provides that Section
15 62-3-910 provides that an instrument of
16 distribution, quote, as defined in Section 62-
17 3-907 is an essential element in the chain of
18 title to ensure that purchasers or lenders
19 from or to devisee would have been titled.

20 Now if you turn back to the front page to
21 607, we can see that the General Assembly and
22 the reporter's comment put in there that it
23 would require a deed of distribution and then
24 struck out 62-3-907 an instrument. And so if
25 you read everything in conjunction, 910 does

1 not provide any protection without a deed of
2 distribution.

3 THE COURT: Okay now, where did this come
4 from, this document?

5 MR. MASSEY: It came from the state's
6 website on their statutes.

7 MR. WALKER: Your Honor, he can't say
8 that the word "instrument" was struck out of
9 the statute when it is still the wording of
10 the statute.

11 THE COURT: Well, that's why I asked --

12 MR. MASSEY: But you have to read it in
13 conjunction, though, with the whole thing.
14 And the reporter's comments are at least some
15 help for the Court when you're assessing the
16 meaning of the statute.

17 MR. WALKER: You got the names of the
18 personal representatives on the deed. It's
19 clear that it's coming out of an estate. It
20 is an instrument that is making a distribution
21 from an estate. This general warranty deed
22 reads perfectly clear with that. I think any
23 attempt to undo a conveyance that would fail,
24 I think Your Honor is presented with those
25 things all the time. And you got a deed that

1 is doing what it says it's doing, that is not
2 germane to the Court's decision here today.

3 MR. STEINER: 62-3-907, I believe it is
4 saying, it is implying to be read as "An
5 instrument of distribution or a deed of
6 distribution" in the exact same way you would
7 say "real or personal property," meaning real
8 property or personal property. I believe
9 that, the intent is "an instrument of
10 distribution or a deed of distribution," not
11 just any instrument.

12 THE COURT: What is a deed if it is not
13 an instrument of distribution?

14 MR. STEINER: Well, because you're
15 talking about personal property in that same

16 --

17 THE COURT: No, no.

18 -- MR. STEINER: -- statute.

19 MR. MASSEY: Your Honor, the statute's
20 ambiguous; it is.

21 THE COURT: The statute is ambiguous?

22 MR. MASSEY: It appears to be. If you
23 read it with 907 it is.

24 THE COURT: Mr. Steiner said that --

25 MR. MASSEY: That's his interpretation.

1 But if you could read it the same way that
2 Drew is interpreting it as well, and I will
3 acknowledge that, Your Honor. But I think if
4 you look at Rule 907, it's different.

5 Now in reply to the Sterling Lending
6 Group, you do see these things all the time,
7 except you see them, warranty deeds, going
8 between living persons and corporations. When
9 an estate's property is involved, I venture to
10 say you have always seen a deed of
11 distribution. And that is what the law
12 requires, and that's even more important when
13 the personal representative sells it to him or
14 herself. That protects everybody if it's in
15 there.

16 THE COURT: So a deed of distribution is
17 the same -- is not the same as a warranty
18 deed? A warranty deed is inferior to a deed
19 of distribution?

20 MR. MASSEY: Yes, because --

21 THE COURT: That's your position?

22 MR. MASSEY: The warranty deed assumes --
23 and that's a very good point for us to bring
24 up. The warranty deed on its face assumes
25 that Tamara Steiner has a right to sell it to

1 herself, when, in fact, she was not expressly
2 authorized as is required by statute.

3 THE COURT: But your position is that a
4 general warranty deed can be trumped by a deed
5 of distribution. That the deed of
6 distribution is superior and unless that deed
7 of distribution, you can't have a general
8 warranty.

9 MR. MASSEY: Yes. Because other people
10 own interest in the property. And so that
11 would mean any personal representative at any
12 time could just go ahead and sell it and get
13 whatever they want for it without considering
14 the other beneficiaries.

15 THE COURT: Well, that's what it does
16 mean then. That's true.

17 MR. WALKER: That's right, Your Honor,
18 that they can do that, and there are statutes
19 that protect from allowing a personal
20 representative to do it. It is the very
21 statute that they brought up. Personal
22 representative cannot do that. But when
23 you've got a lender down the chain who is
24 making a loan against the grantee or the
25 personal representative that may have

1 committed some sort of untoward act in
2 violation of this 703 statute they cited --

3 MR. MASSEY: 713.

4 MR. WALKER: 713. -- that's precisely
5 why the legislation put in 910, which the
6 Court has already ruled upon, is the
7 appropriate protection for my client. I mean,
8 they had no notice that the personal
9 representative was, according to them, out of
10 line in what they did and that's why we have
11 these statutes. The deed of distribution or
12 the type of instrument that made the
13 conveyance, again, does not trump or
14 overshadow these very clearly written
15 statutes.

16 THE COURT: Anything else today, Mr.
17 Massey?

18 MR. MASSEY: Very brief, Your Honor. The
19 key is notice. Sterling Lending Group did
20 have notice of the improper transfer when they
21 specifically put in their mortgage that the
22 transfer was authorized by the Will Philip
23 Chapel, which means Sterling Lending Group, as
24 they author of that mortgage, knew or should
25 have known that he did not authorize it.

1 Second of all, he was sitting right at
2 the table when they closed it and he knew
3 there was no deed of distribution, even though
4 he witnessed documents that said that they
5 were filing deed of distribution with it. So
6 we believe the notice really works to the
7 disadvantage of the Sterling Lending Group.

8 I have learned that this president was
9 actually there. I didn't learn this was a
10 personal loan. I thought it was a purchase
11 money loan, like it stated in the complaint.
12 And that's why I believe there is notice that
13 they're not taking free and clear with clean
14 hands. They knew all along this was going on.
15 And some other law firm may assert it was a
16 predatory loan.

17 MR. WALKER: Again, Your Honor, all this
18 about who was at closing or wasn't is not
19 properly before the Court. But I would submit
20 to the Court that loan officers attend their
21 loan closings with regularity. That doesn't
22 imply unclean hands. The fact that the word
23 "deed of distribution" is in their mortgage
24 rather than "deed," when there is a deed
25 sitting in front of the gentleman that was

1 supposedly there, that shows a conveyance is
2 not enough to overcome Rule 59 or Rule 60.

3 Your Honor, the plaintiff would ask that
4 it opposes all three of these motions, and it
5 would ask that the Court deny them and so that
6 we can move forward and put this foreclosure
7 that's been to rest for a year permanently at
8 rest.

9 THE COURT: And Mr. Massey, again, tell
10 me how your clients have standing to even come
11 to the Court and make the request for the
12 relief they are making? How do they have
13 standing to do so?

14 MR. MASSEY: In February of last year,
15 Amie became aware, because she was helping out
16 a deceased friend's family with their estate.
17 And they were trying to transfer something
18 from the wife to herself. And that's when
19 someone at the Probate Court showed her that
20 statute, 62-2-713. And that's when she
21 realized that her sister's transfer was not
22 proper either, because none of the
23 beneficiaries of the estate were ever notified
24 of the sale and there was no deed of
25 distribution granting the sale.

1 It didn't really become a justiciable
2 issue, though, for the beneficiaries, because
3 as long as the sister and her boyfriend were
4 living in the house, maintaining their
5 mortgage, they still had protection because
6 the equity in the home. When the foreclosure
7 actually took place, that is the first time
8 that they had had justiciable loss because
9 they lost that equity.

10 I never knew until a couple weeks ago any
11 of their potential claims for predatory
12 lending or Mr. Shannon, who he was. I just
13 figured it's a law firm, did a normal closing.

14 THE COURT: And that's how Ms. Seebauer
15 has standing?

16 MR. MASSEY: Ms. Seebauer is a
17 beneficiary of the estate and she has lost her
18 interest and her son's \$50,000 interest in the
19 equity.

20 THE COURT: Now, Mr. Steiner, III,
21 explain how he has standing.

22 MR. MASSEY: He was one of the
23 beneficiaries of the estate as well, to take
24 equally from the house.

25 THE COURT: Anything else, Mr. Massey?

1 MR. MASSEY: He just wanted to mention
2 that all heirs would have interest, and I told
3 him the Court's aware of that, so -- at least
4 from the Will. Whether or not they do it
5 here, that's a legal issue.

6 THE COURT: Okay. Mr. Walker, anything
7 else?

8 MR. WALKER: Your Honor, just briefly. I
9 mean, they've had an interest since the death
10 of their father, as heirs. They don't have --
11 the grandfather as heirs. But her discovery
12 of the law a year ago is not the starting
13 point that gives rise to what she could have
14 or should have done in the Probate Court, much
15 less trying to do it here at the end of a
16 foreclosure.

17 She, even as a pro se defendant, is
18 charged with knowledge of the law. She's
19 known her sister has owned this property and
20 been living there since 2008. So another
21 reason that supports this Court's finding from
22 November that the statute of limitations is --
23 because we're three years outside of 2008.

24 THE COURT: Anything else?

25 MR. MASSEY: Your Honor, the statute of

1 limitations issue, I would only assert that
2 Mr. Steiner was kind enough to present me with
3 some other statutes in case law that apply.
4 That would be 15-3-340, 15-3-350 and 15-3-380,
5 which when you're dealing with the actual
6 title toward the estate, that there's a ten
7 year statute of limitations.

8 THE COURT: Anything else today?

9 MR. MASSEY: No, sir.

10 MR. WALKER: No, Your Honor.

11 THE COURT: All three motions of the
12 Petitioners are denied. The court reporter is
13 here, if you want to order a transcript. Just
14 give her your card.

15 MR. MASSEY: We already have one. Thank
16 you, Your Honor.

17 THE COURT: Thank you.

18 MR. WALKER: Thank you, Your Honor.

19 (WHEREUPON, the taking of the proceedings
20 was adjourned at 3:00 p.m.)
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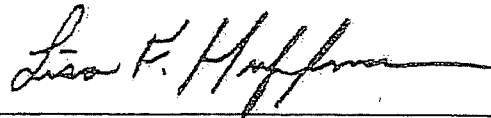
1 CERTIFICATE OF REPORTER
2

3 I, Lisa F. Huffman, Verbatim Court Reporter
4 and Notary Public in and for the State of South Carolina
5 at large, hereby certify that said proceedings were
6 taken before me at the time and place set forth; and
7 that the foregoing 62 pages constitute a true and
8 correct transcription of my report of said proceedings.

9 I further certify that I am neither attorney
10 nor counsel for, nor related to or employed by any of
11 the parties connected with this action, nor am I
12 financially interested in said cause.

13 I further certify that the original of said
14 transcript was thereafter sealed by me and delivered to
15 DAVID E. MASSEY, ESQUIRE, Attorney At Law, 1620 Gervais
16 Street, Columbia, South Carolina 29201.

17 In witness whereof I have set my hand and seal
18 this 23rd day of March, 2016.

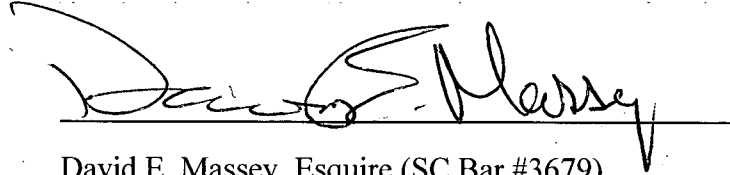
19 
20

21 Lisa F. Huffman

22 My Commission Expires 7/7/25
23
24
25

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

A handwritten signature in black ink, appearing to read "David E. Massey", is written over a horizontal line.

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July 29, 2016
Columbia, South Carolina

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