IN THE STATE OF SOUTH CAROLINA
In the Court of Appeals

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SC Court of Appeals

APPEAL FROM JASPER COUNTY

Darrell Thomas Johnson, Jr., Special Referee

Appellate Case No. 2015-002049
Civil Action No. 2013-CP-27-00253

Bank of Walterboro, ... Plaintiff,

v.

Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue, ... Defendants,

Of which Mortgage Electronic Registration Systems, Inc., as nominee for BNC Mortgage Inc., is the Appellant,

and

Bank of Walterboro and Rosemelle M. Shuler are the Respondents.

RECORD ON APPEAL

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STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF JASPER)	CIVIL ACTION NO. 2013-CP-27-00253
BANK OF WALTERBORO,)	
)	
Plaintiff,)	
)	
v.)	ORDER DENYING MOTION TO
)	REOPEN JUDGMENT
CHARLES E. BUSH aka CHARLES) BUSH, ROSEMELLE M. SHULER,) FIRST FAMILY FINANCIAL) SERVICES OF GEORGIA, INC.,) EQUIFIRST CORPORATION,) MORTGAGE ELECTRONIC) REGISTRATION SYSTEMS, INC.,) As Nominee for BNC MORTGAGE,) INC., and SOUTH CAROLINA) DEPARTMENT OF REVENUE,)	
)	
Defendants.)	
)	

This matter was referred to me by Order of Reference. This matter came before me for hearing on the Motion to Reopen Judgment filed by the Defendant, Mortgage Electronic Registration Systems, Inc., as nominee for BNC Mortgage, Inc. ("MERS"). The Plaintiff, Bank of Walterboro, has been represented by George Cone of McLeod, Fraser and Cone. MERS has been represented by Sean O'Connor of the Finkel Law Firm. MERS filed a Memorandum in Support of their Motion along with exhibits. The Plaintiff filed a Memorandum in opposition along with Affidavits and exhibits. While I gave the attorneys wide latitude in their presentations, I have not considered arguments of counsel as evidence. I do, however, recognize that assertions by an attorney are binding on their client. After consideration of all matters of record, I make the following findings

of fact and conclusions of law. Findings of fact may be conclusions of law and vice versa, where appropriate.

FINDINGS OF FACT

The underlying case here is a mortgage foreclosure on real property located in Jasper County, South Carolina, described as TMS # 062-00-05-017, located at 1519 Taylor Mill Road, Ridgeland, South Carolina (the "Property". The dispute before the Court now is between the Plaintiff, Bank of Walterboro, and MERS regarding priority of their liens. As can be seen from the caption, the number of parties and the title abstract attached to the Affidavit of Linda C. Jordan, the borrowers were taking out multiple loans and refinancing the Property often during the financial bubble of the early 2000's. Ms. Jordan's Affidavit and the attachments are part of the record and I take judicial notice of the documents referenced which are duly recorded in the Office of the Jasper County Register of Deeds and are therefore public record.

Ms. Rosemelle M. Shuler acquired title to the Property in 2001 and mortgaged it to EquiFirst Corporation shortly thereafter. In 2002, Ms. Shuler mortgaged the Property again to Option One Mortgage Corp. and this mortgage was satisfied of record in 2004. In 2003, Ms. Shuler mortgaged the Property to The CIT Group/Consumer Finance, Inc., but this mortgage was satisfied of record in 2006. Also in 2006, Ms. Shuler mortgaged the Property to Lexington Capital which assigned the mortgage to BNC Mortgage, Inc., on June 22, 2007, which then assigned the mortgage to MERS on June 25, 2007. In the meantime, Ms. Shuler mortgaged the Property to the Plaintiff, Bank of Walterboro, on March 1, 2007. The Plaintiff apparently believed it was getting a first mortgage and continued that belief for a while longer. An Affidavit by James M. Bunton, Jr., who is a

loan officer with the Bank of Walterboro, states that Plaintiff believed it had a first mortgage and relied upon a title insurance commitment from the closing attorney in reaching that belief.

Sometime afterward, the borrower defaulted on its obligations to the Plaintiff and the foreclosure process started. The Plaintiff filed this foreclosure action on May 13, 2013. The Complaint states, in pertinent part in Paragraph 12: "on information and belief, the interest of [MERS] have been paid in full and satisfied or are subordinate the interest of the Plaintiff." After the filing of the Complaint, MERS was duly served on May 28, 2013. MERS did not file any responsive pleading and an Affidavit of Default was filed on November 27, 2013. The Order of Default and Reference was filed on September 5, 2014, and Notice of the Hearing was mailed September 16 and received by MERS on September 19, 2014. That first attempted hearing was cancelled and Notice of the Rescheduled Hearing was mailed October 15 and received by MERS on October 23, 2014. That second hearing was cancelled as well. Notice of a Status Conference was given on April 23, 2015, but apparently there is no date as to when that was actually received. Notice of a third final hearing was mailed May 6, 2015, and received by MERS on May 11, 2015. The final hearing was held on May 20, 2015 and the Special Referee Decree and Notice of Sale was entered that day, filed May 21, mailed May 22, 2015, and received by MERS on May 27, 2015.

MERS does not dispute these facts and does not dispute that all of these notices were proper. MERS also does not dispute that it took no action until May 19, 2015, when a Lucita from Loan Servicing contacted the Plaintiff's attorney's office and spoke to Linda C. Jordan. The Plaintiff's attorney returned the call that day, but did not get an

answer. Lucita Sanasam sent an email to Linda C. Jordan on May 19, which Ms. Jordan forwarded to the Plaintiff's attorney on May 20. On May 20, the Plaintiff's attorney sent an email to Ms. Sanasam advising her to seek counsel immediately. Nothing happened until June 5, when the Plaintiff's attorney's office received a call from Lee Lott at (601) 351-2464 and this call was returned on June 8, 2015. The Plaintiff's attorney's office and Lee Lott spoke on June 16, 2015, Lee Lott advised that Sean O'Connor was their South Carolina counsel. Sean O'Connor called on July 7, 2015. I note that by July 7, MERS had had the Notice of Sale since May 27, 2015. I note that some of this testimony and evidence might be considered hearsay, but I consider it not for the truth of the matter asserted but to illustrate notice and the actions or inactions of the parties.

On the eve of the sale, I held a telephone conference with the attorneys for the parties, the result of which was to continue and postpone the sale until the issue of priority could be determined. MERS filed a Motion to Vacate and Set Aside Final Judgment of Foreclosure and Sale Pursuant to Rule 60, SCRCP along with a supporting Memorandum and exhibits. The Plaintiff filed a Memorandum opposing MERS' motion and attached supporting Affidavits of Ms. Jordan and Mr. Bunton along with attachments and evidence to back up said Affidavits.

Pending resolution of this dispute, I postponed the foreclosure sale. Linda C. Jordan, in her Affidavit, states that the cost to republish the Notice of Sale is $962.00. MERS agreed to cover the cost of readvertisement, in the event I rule in the Plaintiff's favor and I would require MERS to do so anyway. The parties' attorneys have ably argued their clients' respective positions to me both in written form and in their memoranda and supporting documentation.

CONCLUSIONS OF LAW

In its Motion to Vacate, MERS relies exclusively upon Rule 60 of the South Carolina Rules of Civil Procedure. MERS relies upon both 60(a) and 60(b). MERS seeks relief from the Decree, but does not contend that any other aspect of the case is improper. I reaffirm my prior Decree in finding and concluding that the foreclosure is proper in all other respects, that all parties were duly served and that the Plaintiff is entitled to the relief it requests, saving for the issues raised by MERS in its Motion which I address in this Order. Rule 60 states, in pertinent part, as follows:

> (a) Clerical Mistakes. Clerical mistakes in judgments, orders or other parts of the record and errors therein arising from oversight or omission may be corrected by the court at any time of its own initiative or on the motion of any party and after such notice, if any, as the court orders. During the pendency of an appeal, leave to correct the mistake must be obtained from the appellate court. The ending of a term of court or departure from the circuit shall not operate to deprive the trial judge of jurisdiction to correct such mistakes. A party filing a written motion under this rule shall provide a copy of the motion to the judge within ten (10) days after the filing of the motion.
>
> (b) Mistakes; Inadvertence; Excusable Neglect; Newly Discovered Evidence; Fraud, etc. On motion and upon such terms as are just, the court may relieve a party or his legal representative from a final judgment, order, or proceeding for the following reasons:
>
> > (1) mistake, inadvertence, surprise, or excusable neglect;
> >
> > (2) newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under Rule 59(b);
> >
> > (3) fraud, misrepresentation, or other misconduct of an adverse party . . .
> >
> > The motion shall be made within a reasonable time, and for reasons (1), (2), and (3) not more than one year after the judgment, order or proceeding was entered or taken.

A court may relieve a party from a final judgment for mistake, inadvertence, surprise, or excusable neglect. Rule 60(b)(1) SCRCP. In determining whether a default

judgment should be set aside under Rule 60(b)(1), the Court considers (1) the promptness with which relief is sought, (2) the reasons for the failure to act promptly, (3) the existence of a meritorious defense, and (4) the prejudice to the other parties. *See eg.* Tobias vs. Rice, 379 S.C. 357, 665 S.E.2d 216 (S.C. App. 2008).

It may be legally significant, or it may be merely ironic, that MERS supplanted a centuries old system, and now seeks relief, because of a failure of its own system. Fortunately, I need not address that to make my ruling.

MERS arguments under 60(a) and 60(b) are similar and based upon the same facts and I treat them together. I am assuming *arguendo* that MERS has a meritorious defense. I stop short of making a specific finding to that effect, however. MERS may very likely have prevailed on the merits. I am not deciding that issue, however, and note it could conceivably be found that MERS was somehow paid off or subordinated and the mortgage was not satisfied due to a clerical error. Other than MERS' Motion and Memorandum, I have no evidence or testimony as to the current status of their mortgage, except the title abstract. I have no information as to the balance remaining. Sometimes mortgages are paid off, but not satisfied of record. That was the assumption which the Plaintiff made since 2007 and that assumption was backed up by MERS' failure to participate in the action despite repeated notice for two years. The question I must decide however, are the other elements of opening a default judgment. Defendant received the pleadings in 2013 and did not respond. It received several hearing notices for hearings that were cancelled, as well as the final hearing held before me.

Rather than arising out of mistake, inadvertence, surprise or excusable neglect, MERS' situation here arises out of their own failure to take reasonable steps to protect

their position. As recited above, MERS was given notice of the Plaintiff's claims, had numerous opportunities to appear and assert its rights and, yet, failed to do so for two years.

MERS' argument as to timeliness addresses the time between when MERS realized its problem and the time when counsel intervened. I note that MERS' attorney had a Rule 11 duty to make a reasonable inquiry as to the facts, before signing a pleading. I assume, for purposes of this analysis, that 18 or 19 days, including the Fourth of July weekend, was reasonably necessary, especially if MERS was unable or unmotivated to furnish the necessary information to its new Attorney. This argument fails, however, to address why MERS did nothing for two years after it was served with the Complaint.

On the issue of excusable neglect, MERS whole argument rests upon the explanation that it, for two years, accepted and assumed that the Complaint was accurate. This argument presumes that it was somebody else's responsibility to verify the allegations of the Complaint and not MERS' responsibility. Service of a Summons and Complaint (and Lis Pendens, in this instance) is serious business and places upon the Defendant the duty to ascertain the truth or inaccuracy of the Plaintiff's allegations, respond within 30 days or be deemed to have admitted the allegations. MERS basically ignored the Complaint and ignored the action for two years until the eve of foreclosure sale. MERS argument presupposes that MERS is not subject to the same rules as everyone else.

MERS failed to ascertain accuracy of the Complaint within the 30 days allowed by law and then for two years following service. MERS failed to attach any consequence to the multiple Notices of Hearing that it had business before this Court. MERS only

lackadaisically responded to the Decree of this Court. MERS failed to avail itself of Rule 59. I find a great measure of hubris on the part of MERS in its presumption that these notices and events were not of great importance and they should be excused for ignoring them.

MERS has not attempted to answer the obvious question "Why did you accept the Complaint as accurate for two years, but then question the Decree after a few weeks?" Had MERS done its investigation after service of the Complaint, instead of after service of the Decree, this issue would not be before the Court today. Turning briefly to MERS' argument under Rule 60(a), the only clerical error here was MERS just assuming the Complaint was accurate without any due diligence or investigation for two years.

MERS urges that my prior decision is wrong on the merits, applying real estate law. A lawsuit over real property is merely a lawsuit. The Plaintiff makes allegations in the Complaint based upon its best information and belief (which I find was done here), the Summons and Complaint are served upon the Defendant and the Defendant has 30 days to respond. In this case, MERS did not respond for two years. I note that, had MERS appeared after the 30 days to answer but prior to the entry of the Decree, it would be held to a lesser standard. The only facts before me, as to MERS, are the allegations of the Complaint, which are deemed admitted. When faced with a party in default and evidence presented by the Plaintiff showing a prima facie right to recovery, it becomes the duty of the Court to grant the relief requested.

The only issue before me is relief under Rule 60. I specifically reject MERS' characterization of priority as "irrefutable". While the recording speaks for itself, there are a number of exceptions to first-in-time-first-in-right. Other than the unsatisfied

mortgage of record, I have no evidence before me as to the current status of MERS' mortgage. I cannot, in this posture, hold that no exceptions could possibly apply. MERS has limited its position on excusable neglect, to its right to rely on the accuracy of the Complaint, and the ethical duty of an attorney to have a good faith belief in that his pleadings are supported by law and fact. Plaintiffs' attorney relies upon both the commonplace occurrence of paid, but unsatisfied, mortgages and the title opinion by the closing attorney.

The final prong of Rule 60 is the prejudice to the opposing party. I find that MERS' two year delay in asserting its rights does prejudice the Plaintiff, should I allow MERS the relief it requests. For one, the Plaintiff has incurred attorney's fees, administrative fees and costs of foreclosure that it would likely not recover should MERS be allowed to foreclose a first mortgage. MERS argues that the Plaintiff could simply make a title insurance claim or a claim against the closing attorney, but I do not accept the proposition that these claims are sure winners. MERS simply waited too long to assert its rights and the Plaintiff should be given credit for the two plus years in which it was led to believe it had a first mortgage.

CONCLUSION

MERS ignored the legal process for two years and simply waited too long to assert its rights for this Court to allow them the relief now sought. MERS has failed to show that its failure to respond to the lawsuit for two years was a result of mistake, inadvertence, surprise or excusable neglect. MERS' failure to respond to the lawsuit for two years was, rather, a direct result of their own negligence and their own hubris in

believing the South Carolina Rules of Civil Procedure do not apply to them. I find that granting MERS the relief it requests at this late hour would prejudice the Plaintiff.

IT IS HEREBY ORDERED that MERS' Motion to Reopen Judgment is DENIED.

IT IS FURTHER ORDERED that I reaffirm my prior Decree of Foreclosure in this matter in its entirety.

IT IS FURTHER ORDERED that the Property shall be re-advertised for the next convenient sale date.

IT IS FURTHER ORDERED that MERS shall reimburse the Plaintiff for the cost of re-advertisement and any additional service of process in the amount of $962.00, as agreed by MERS.

IT IS FURTHER ORDERED that I retain jurisdiction of this matter to complete the foreclosure sale, to enforce compliance with the sale and my Orders and to hear any further post judgment matters which may come before the Court.

SO ORDERED

Darrell Thomas Johnson, Jr.
Special Referee with Finality

Dated: August 25, 2015
Hardeeville, South Carolina

FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF JASPER
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2013- CP-27-00253

BANK OF WALTERBORO

PLAINTIFF(S)

2013 MAY 21 PM 4:30

CLERK OF COURT
JASPER COUNTY SC

CHARLES E. BUSH AKA CHARLES BUSH AND ROSEMELLE M. SHULER, ET AL.

DEFENDANT(S)

Submitted by: George W. Cone

Attorney for : ☒ Plaintiff ☐ Defendant
or
☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

☐ JURY VERDICT. This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☒ DECISION BY THE COURT. This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered. ☐ See Page 2 for additional information.

☐ ACTION DISMISSED (*CHECK REASON*): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other

☐ ACTION STRICKEN (*CHECK REASON*): ☐ Rule 40(j), SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other

☐ DISPOSITION OF APPEAL TO THE CIRCUIT COURT (*CHECK APPLICABLE BOX*): ☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other

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

IT IS ORDERED AND ADJUDGED: ☒ See attached order (formal order to follow) ☐ Statement of Judgment by the Court: Foreclosure

ORDER INFORMATION

This order ☐ ends ☒ does not end the case.

Additional Information for the Clerk : as required by statute, a foreclosure sale has been scheduled.

INFORMATION FOR THE JUDGMENT INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
BANK OF WALTERBORO	CHARLES E. BUSH AKA CHARLES BUSH	$N/A
	ROSEMELLE M. SHULER	$N/A
		$

If applicable, describe the property, including tax map information and address, referenced in the order:

PARCEL A:

ALL that certain piece, parcel or lot of land, situate, lying and being in the county of Jasper, State of South Carolina, and being known and designated as Lot B of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R. L. Sensenbach, R.L.S., which is recorded in Plat Book 12 at Page 453, in the Office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of Two Hundred Fifty (250.0') feet by Lot C, of said subdivision; On the Northeast for a distance of One Hundred Twenty (120.0') feet by the right-of-way of a paved fifty-foot (50') street; On the Southeast for a distance of Two Hundred Fifty (250.0') feet by Lot A of said subdivision; and On the Southwest for a distance of One Hundred Twenty (120.0') feet by lands of F. A. Nimmer.

Subject to Restrictions and Covenants which are recorded in Deed Book 68 at Page 211 in the Office of

the Clerk of Court for Jasper County, South Carolina

This being the same property conveyed to Rosemelle M. Shuler and Charles Bush by deed of Tracy R. Cleland dated March 1, 2007 and recorded October 29, 2007, in Deed Book 602 at Page 74, in the Office of the Clerk of Court for Jasper County, South Carolina. Charles Bush, one of the Grantee' s in that deed is also known as and one and the same person as Charles E. Bush.

TMS # 046-32A-03-008

PARCEL B:

ALL that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing One (1.00) acre, and being bounded and described as follows: On the Northeast for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; On the Southeast for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by a fifty (50') foot street; On the Southwest for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by the right-of-way of S.C. Hwy. S-175; and On the Northwest for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue;
For a more particular description, reference is asked to that plat by Forrest F. Baughman, R.L.S. dated May 2, 1983 and recorded in Plat Book 16 at Page 480 in the Office of the Clerk of Court for Jasper County, South Carolina.

This being the same tract conveyed an interest was conveyed to Rosemelle M. Shuler by deed of the United States of America, Department of Agriculture dated December 2, 1987 and recorded December 2, 1987 in Deed Book 92 at page 750, in the Office of the Clerk of Court for Jasper County, South Carolina; and the same property in which an interest was conveyed to Rosemelle M. Shuler by quitclaim deed of Henrietta Perry dated June 7, 2001 and recorded June 21, 2001 in Deed Book 238 at page 249 in the Office of the Clerk of Court for Jasper County, South Carolina.

TMS # 062-00-05-017

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

~~Circuit Court Judge~~ Darrell Thomas Johnson, Jr. Special Referee — Judge Code — May 20, 2015 Date

For Clerk of Court Office Use Only

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

George W. Cone, McLeod Fraser & Cone LLC
P. O. Box 230, 111 E. Washington St
Walterboro, SC 29488
ATTORNEY(S) FOR THE PLAINTIFF(S)

R. Thayer Rivers, Jr., Attorney at Law
P. O. Box 668, 252 Russell St.
Ridgeland, SC 29936
ATTORNEY(S) FOR THE DEFENDANT(S)

CLERK OF COURT

Court Reporter: Carolyn S. Kelly, Island Court Reporting

ADDITIONAL INFORMATION REGARDING DECISION BY THE COURT AS REFERENCED ON PAGE 1.

STATE OF SOUTH CAROLINA COUNTY OF JASPER	IN THE COURT OF COMMON PLEAS Non-Jury Foreclosure
Bank of Walterboro, Plaintiff, vs. Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue, Defendants.	SPECIAL REFEREE'S DECREE FOR FINAL JUDGMENT OF FORECLOSURE C/A NO: 2013-CP-27-00253

2013 MAY 21 PM 4:30
CLERK OF COURT
JASPER COUNTY, SC

MFC File #34756-12-L

This action is one for foreclosure of a mortgage of real estate executed by the Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler to Bank of Walterboro. The Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler were personally served on May 23, 2013. Defendant Rosemelle M. Shuler filed an Answer and Counterclaim. Bank of Walterboro filed a Reply to the Counterclaim. Defendant Charles E. Bush aka Charles Bush is in default. Defendant South Carolina Department of Revenue has been served and filed answers requesting their interests be protected. All other Defendants have also been properly served and are in default. All defendants are properly before the court.

This cause was referred to Darrell Thomas Johnson, Jr., as Special Referee for Jasper County, by Order Of Default and Reference dated September 5, 2014, to take testimony, to determine the issues, to make appropriate findings of facts and conclusions of law, with authority to enter a final judgment in this cause, with appeal to the appropriate Appellate Court pursuant to Rule 53, SCRCP.

A reference hearing has been held before me on May 20, 2015. There were present at the hearing the following: George W. Cone attorney for Plaintiff,

James M. Bunton, Jr. and William Fowler, witnesses for the Plaintiff, R. Thayer Rivers, Jr., attorney for Defendant, Rosemelle M. Shuler and the Defendant, Rosemelle M. Shuler and Defendant Charles E. Bush aka Charles Bush.

At the hearing I reviewed the pleadings, herein and took testimony, received other evidence and heard statements of counsel.

After considering the evidence presented, I make the following findings of fact:

FINDING OF FACT

That the material allegations of the Complaint are true and correct, and that Plaintiff is entitled to the relief prayed for in Plaintiff's Complaint. I find that all necessary and proper parties have been duly served and are properly before the Court and that the Lis Pendens was filed on May 13, 2013.I find that the defendants Charles E. Bush aka Charles Bush and Rosemelle M. Shuler, are not in the military service of the United States of America.

I further find that the closing of the mortgage loan sued on herein took place on or about March 1, 2007 and the Mortgage was recorded on October 29, 2007.

I further find that the Plaintiff is the owner and holder of the note and mortgage referred to in the Complaint herein and that there is now due, owing and unpaid to Plaintiff on account of the Note and Mortgage referred to in the Complaint for principal and interest in the sum of Twenty-Three Thousand Nine Hundred Forty-Nine and 33/100 Dollars ($23,949.33), as of May 20, 2015, with interest thereon after May 20, 2015, at the rate of seven and twenty-five hundredths percent (7.2500%) per annum; and the further sum of Three Thousand Five Hundred Ninety-two and 00/100 Dollars ($3,592.00) as a reasonable sum to be awarded as attorney's fees, as was provided for in said note and mortgage, and that the same is a first lien over the property hereinafter described and over the proceeds of the sale. In making this award of attorneys fees, I have considered the factors set out in Rule 407 SC Appellate Court Rules, Rules of Professional Conduct as Rule 1.5 and which our Supreme Court has stated must be considered. *See eg* Baron Data Systems, Inc. v. Loter, 297 S.C. 382, 377 S.E.2d

296 (1989).

I further find plaintiff has waived a deficiency judgment.

CONCLUSIONS OF LAW

After considering the pleadings and the findings of fact, I make the following conclusions of law, and to the extent these conclusions of law include findings of fact, findings of fact:

The Defendant Rosemelle M. Shulers' Counterclaim alleging the Plaintiff's mortgage is unenforceable as the closing did not take place under the supervision of an attorney is not a valid defense as Matrix Financial Services Corp. v. Fraser, 394 S.C. 134, 714 S.E.d 532 (SC SCt 2012) (allowing such a defense to foreclosure) and BAC Home Loan Servicing, L.P. v. Debra Kinder, 398 S.C. 619, 731 S.E.2d 548 (SC SCt 2012) (clarifying the date of the prospective application of Matrix) clearly stated that the court's ruling in Matrix was prospective only and affected only closings after August 8, 2011.

That Plaintiff, is entitled to the relief prayed for in the Complaint and that the conditions of the note and mortgage set forth in the Complaint herein have been broken and that Plaintiff, is entitled to judgment against the Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler, for the sums hereinabove found to be due on said note and mortgage which judgment shall stand as a lien over the property hereinafter described and over the proceeds of the sale of same. That the mortgaged premises should be sold under order of this Court, that the proceeds of sale, after payment of the costs and expenses, should be credited first upon the judgment of the Plaintiff, and that the surplus, if any, should be held pending further order of this court.

In making the award of attorneys fees, I have considered the factors our Supreme Court has stated must be considered, which are as follows: (1) the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly; (2) the likelihood that the acceptance of the particular employment will preclude other employment by the lawyer; (3) the fee customarily charged in the locality for similar legal services; (4) the amount involved and the results obtained; (5) the time

limitations imposed by the client or by the circumstances; (6) the nature and length of the professional relationship with the client; (7) the experience, reputation, and ability of the lawyer or lawyers performing the services; and (8) whether the fee is fixed or contingent. Rule 407 SC Appellate Court Rules, Rules of Professional Conduct as Rule 1.5. *See eg* Baron Data Systems, Inc. v. Loter, 297 S.C. 382, 377 S.E.2d 296 (1989).

Based on the findings of fact and conclusions of law,

DECREE

1. IT IS ORDERED, ADJUDGED AND DECREED, that judgment be entered in the Office of the Clerk of Court for Jasper County, in favor of the Plaintiff against the Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler in the sum of Twenty-Three Thousand Nine Hundred Forty-Nine and 33/100 Dollars ($23,949.33), principal and interest, plus the further sum of Three Thousand Five Hundred Ninety-two and no/100 ($3,592.00) Dollars as attorney's fees, both said sums to draw interest from May 20, 2015, at the rate of seven and twenty-five hundredths percent (7.2500%) per annum which judgment shall stand as a first lien over the property hereinafter described, and against the proceeds of the sale of same.

2. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the mortgaged premises described in the Complaint and hereinafter described, be sold by Darrell Thomas Johnson, Jr., Special Referee, his designee or his successor in office as such or his designee, at public auction for cash to the highest bidder before the Courthouse door at Ridgeland, South Carolina, after due and legal advertisement, on a sales day to be set out in the Notice of Sale to be filed herein, at the hour set in said notice, or upon some subsequent sales day thereafter to be named by the Plaintiff's attorney, on the terms set out in said Notice of Sale, and to continue to offer said property for sale on succeeding sales days, under the same terms, in the event compliance is not had with the bid of the purchaser, and to so continue until compliance is had.

3. From the proceeds of said sale the Special Referee shall first pay the previously incurred costs of this action as stated in Plaintiff's Affidavit of

Attorneys fees, the future costs of this action, including but not limited to, the publication of the Notice of Sale; second, judgement of the plaintiff, which shall include attorneys fees; third, should the property be sold to a party other than Plaintiff, the Special Referee shall receive One percent (1%) of the proceeds from the sale of said property as his commission for conducting the sale of the property; and fourth, the surplus, if any, be paid to the defendants unless modified by subsequent order of this Court.

4. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the officer conducting the sale require the highest bidder at the sale, other than Plaintiff, to make a cash deposit of five (5%) percent of the bid as earnest money or evidence of good faith. The deposit of the last high bidder shall be applied on the bid should there be a compliance with same. If the person making the highest bid at the sale, other than the Plaintiff, fails to make such deposit immediately, at the time of the acceptance of his bid, then the said premises shall at once be resold at such bidder's risk on the same sales day or upon some subsequent sales day at the option of the Plaintiff's attorneys. If the last high bidder making the deposit herein required fails to comply with the bid without legal excuse being duly shown, then such deposit shall be delivered to Plaintiff and retained by Plaintiff as liquidated damages and the premises shall thereafter be resold upon the same terms and at such purchaser's risk on some subsequent sales day to be designated by Plaintiff or attorney for the Plaintiff.

The Plaintiff, specifically having waived any deficiency judgment, the bidding will not be held open after the sale and compliance therewith may be had immediately after the sale.

5. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the purchaser shall pay for the preparation and recording of all papers and other recording charges and shall be responsible for and pay all taxes and assessments due at the time of sale or thereafter in that the sale is to be made subject to the same.

6. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that upon the terms of sale being complied with, the Special Referee shall make title in fee of the premises

hereinafter described to the purchaser, who shall be let and put into possession of said premises by the Sheriff of Jasper County upon presentation of the deed.

7. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the Sale shall not take place if the Plaintiff, a representative of Plaintiff or Plaintiff's attorney is not present at the time and place of sale or has advised the Special Referee of its bidding instructions.

8. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the Defendants, and all persons claiming under, by or through them, or any of them be barred and forever foreclosed of all right, title, interest and equity of redemption in and to the said mortgaged premises so sold, or any part thereof,

The following is a description of the mortgaged premises herein ordered to be sold:

PARCEL A:

ALL that certain piece, parcel or lot of land, situate, lying and being in the county of Jasper, State of South Carolina, and being known and designated as Lot B of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R. L. Sensenbach, R.L.S., which is recorded in Plat Book 12 at Page 453, in the Office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of Two Hundred Fifty (250.0') feet by Lot C, of said subdivision; On the Northeast for a distance of One Hundred Twenty (120.0') feet by the right-of-way of a paved fifty-foot (50') street; On the Southeast for a distance of Two Hundred Fifty (250.0') feet by Lot A of said subdivision; and On the Southwest for a distance of One Hundred Twenty (120.0') feet by lands of F. A. Nimmer.

Subject to Restrictions and Covenants which are recorded in Deed Book 68 at Page 211 in the Office of the Clerk of Court for Jasper County, South Carolina

This being the same property conveyed to Rosemelle M. Shuler and Charles Bush by deed of Tracy R. Cleland dated March 1, 2007 and recorded October 29,2007, in Deed Book 602 at Page 74, in the Office of the Clerk of Court for Jasper County, South Carolina. Charles Bush, one of the Grantee's in that deed is also known as and one and the same person as Charles E. Bush.

TMS # 046-32A-03-008

PARCEL B:

ALL that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing One (1.00) acre, and being bounded and described as follows: On the Northeast for a distance of One Hundred Fourteen and Five Tenths (114.50')

feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; On the Southeast for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by a fifty (50') foot street; On the Southwest for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by the right-of-way of S.C. Hwy. S-175; and On the Northwest for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue;

For a more particular description, reference is asked to that plat by Forrest F. Baughman, R.L.S. dated May 2, 1983 and recorded in Plat Book 16 at Page 480 in the Office of the Clerk of Court for Jasper County, South Carolina.

This being the same tract conveyed an interest was conveyed to Rosemelle M. Shuler by deed of the United States of America, Department of Agriculture dated December 2, 1987 and recorded December 2, 1987 in Deed Book 92 at page 750, in the Office of the Clerk of Court for Jasper County, South Carolina; and the same property in which an interest was conveyed to Rosemelle M. Shuler by quitclaim deed of Henrietta Perry dated June 7, 2001 and recorded June 21, 2001 in Deed Book 238 at page 249 in the Office of the Clerk of Court for Jasper County, South Carolina.

TMS # 062-00-05-017

Darrell Thomas Johnson, Jr., Special Referee

May 20, 2015

Ridgeland, South Carolina

2013 SEP -5 A 10:29

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
Plaintiff,	)	
vs.	)	ORDER OF DEFAULT AND REFERENCE
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	C/A: 2013-CP-27-00253
Defendants.	)	

CLOCK IN TIME CANCELLED

MFC File #34756-12-L

This is an action to foreclose a mortgage of real estate executed by the Defendants Charles E. Bush aka Charles Bush and Rosemelle M. Shuler, securing a Note executed by Defendants Charles E. Bush aka Charles Bush and Rosemelle M. Shuler to Plaintiff.

The Defendants Charles E. Bush aka Charles Bush and Rosemelle M. Shuler, are not in the military service of the United States and the other Defendants are entities not capable of military service; and the Defendants Charles E. Bush aka Charles Bush, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC

POSTED

MERS000020

Mortgage, Inc. are in default as appears by the Affidavit of Default and of Non-Military Service filed in this case.

Therefore on Motion of George W. Cone, of the law firm of McLeod Fraser & Cone LLC, Attorneys for Plaintiff, by and with the consent of R. Thayer Rivers, Jr., attorney for Rosemelle M. Shuler; Defendant South Carolina Department of Revenue having consented to this matter being referred in their Answer and all other Defendants being in default,

IT IS ORDERED that the Defendants, Charles E. Bush aka Charles Bush, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. be, and they hereby are adjudged to be in default, and

IT IS FURTHER ORDERED that the above entitled cause be, and the same hereby is referred to Darrell Thomas Johnson, Jr., Esquire, to act as Special Referee to take the testimony, to determine the issues and to make appropriate findings of fact and conclusions of law and with authority to enter a final judgment in this cause and to make such interim and/or supplemental orders as he deems appropriate, with appeal to the appropriate Appellate Court pursuant to Rule 53, SCRCP, as amended and SC Code Ann. § 14-11-85, as amended; and

IT IS FURTHER ORDERED, that should the above named individual be unable or unwilling to serve or to continue to serve, then this Court or the Clerk of this Court may appoint a successor or

substitute Special Referee, without the necessity of a further motion or hearing, provided notice is given to all parties of the appointment once it has been made.

Ridgeland, S.C.
9-5, 2014

Honorable ~~Margaret Bostick~~
~~Clerk of Court~~ for Jasper County
Circuit Court Judge

WE MOVE FOR THE ABOVE ORDER
AND SO STIPULATE AND AGREE:

George W. Cone, SC Bar #1354
McLeod Fraser & Cone LLC
P. O. Box 230
111 E. Washington Street
Walterboro, SC 29488
Phone: (843) 549-2516
Attorneys for Plaintiff

I CONSENT TO THE ABOVE ORDER
AND SO STIPULATE AND AGREE:

R. Thayer Rivers, Jr., SC Bar #4754
Attorney at Law
P.O. Box 668, 252 Russell Street
Ridgeland, SC 29936
Phone: (843) 726-8136
Attorney for Defendants

I CONSENT TO SERVE AS
SPECIAL REFEREE HEREIN:

Darrell Thomas Johnson, Jr.
300 Main Street
P.O. Box 1125
Hardeeville, SC 29927
Phone: (843) 784-2142

FILED

2015 JUL 15 AM 8:52

MARGARET H. [illegible]
CLERK OF COURT
JASPER COUNTY SC

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF JASPER)	Civil Action No.: 2013-CP-27-00253
Bank of Walterboro,)	
Plaintiff,)	**MOTION TO VACATE AND SET ASIDE FINAL JUDGMENT OF FORECLOSURE AND SALE FILED MAY 21, 2015 PURSUANT TO RULE 60(b), SCRCP**
v.)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue,)	
Defendants.)	

COPY

COMES NOW Defendant Mortgage Electronic Registration Systems, Inc., as nominee for BNC Mortgage Inc. ("MERS/BNC"), which by and through its undersigned counsel hereby moves before the Honorable Darrell Thomas Johnson, Jr., Special Referee for Jasper County, pursuant to Rule 60(b) of the South Carolina Rules of Civil Procedure, for an Order providing that the Special Referee's Decree for Final Judgment of Foreclosure filed May 21, 2015, a copy of which is attached hereto as EXHIBIT A (the "Foreclosure Order"), shall be vacated, set aside and declared null and void and of no legal effect.

The grounds for this motion are that the Foreclosure Order, which incorporated and repeated as findings certain allegations made by Plaintiff in its Complaint and presented again by Plaintiff at the dispositive final hearing on May 20, 2015, contained a material error of fact with

regard to an alleged satisfaction of a mortgage and as to lien priority as between Plaintiff Bank of Walterboro and Defendant MERS/BNC Mortgage, Inc.

In the Complaint in the instant action, filed May 13, 2013, at Paragraph 12 and its subparts, Plaintiff has identified MERS/BNC's mortgage from borrower Rosemelle Shuler (the "MERS/BNC Mortgage") as follows:

a. Originally to Lexington Capital, dated May 16, 2006, recorded June 20, 2006 at Book 439, Page 138;

b. Assigned from Lexington Capital to BNC Mortgage, Inc., dated June 22, 2007, recorded August 13, 2007 at Book 577, Page 226;

c. Assigned from BNC Mortgage, Inc. to MERS as Nominee for BNC, dated June 25, 2007 and recorded August 13, 2007 at Book 577, Page 228.

Plaintiff went on to assert in the Complaint at Paragraph 12 that "on information and belief, the interest of Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc., including the interests created by the foregoing, have been paid in full and satisfied or are subordinate to the interest of the Plaintiff."

Directly contrary to, repugnant to and disproving of that incorrect assertion, documents recorded in the public records in the Jasper County Register of Deeds which relate to the subject parcel, to wit, TMS # 062-00-05-017, located and situated at and known as 1519 Taylor Mill Road, Ridgeland, South Carolina, 29936 (the "Property"), clearly and conspicuously reflect and show that the MERS/BNC mortgage referenced in the Complaint at Paragraph 12 has not been paid or satisfied and still exists and operates as a valid lien and encumbrance upon the Property.

See attached EXHIBITS B through G.[1] Because the MERS/BNC mortgage has not been paid or satisfied, and because it was recorded earlier in time than Plaintiff's mortgage, said MERS/BNC mortgage is senior and superior in lien position to the later-recorded mortgage held by Plaintiff, recorded later in time on October 29, 2007 at Book 0602, Page 77. See attached EXHIBIT E.

It appears that the Court, as a result of Plaintiff's presentation of these incorrect allegations, has in the Foreclosure Order erroneously and mistakenly found and determined the satisfaction of a different mortgage on the same Property to be a satisfaction of the MERS/BNC Mortgage: A mortgage to CIT Group/Consumer Finance, Inc. was dated December 19, 2003 and was recorded December 29, 2003 at Book 310, Page 146 (the "MERS/CIT Mortgage"). See attached EXHIBIT F. A subsequent satisfaction of the MERS/CIT Mortgage, then in the name of Mortgage Electronic Registration Systems, Inc., as Nominee for CIT Group/Consumer Finance, Inc., was dated August 14, 2006 and was recorded August 21, 2006 at Book 460, Page 137. See attached EXHIBIT G. Although this MERS/CIT Mortgage given and recorded in 2003 and its subsequent satisfaction in 2006 was apparently related to and until satisfaction did encumber the same Property and the same borrower, the satisfaction of the MERS/CIT Mortgage unequivocally was not, and did not operate as, a satisfaction or cancellation of the MERS/BNC Mortgage. Nor did any other document or event have that effect. The MERS/BNC Mortgage is

[1] Exhibit B: Lexington Capital Mortgage, recorded June 20, 2006 at Book 439, Page 138; Exhibit C: Assignment of Mortgage from Lexington Capital to BNC Mortgage, Inc., recorded August 13, 2007 at Book 0577, Page 0226; Exhibit D: Assignment of Mortgage from BNC Mortgage, Inc. to Mortgage Electronic Registration Systems, Inc., its successors and assigns as Nominee for BNC Mortgage, Inc., its successors and assigns, recorded August 13, 2007 at Book 0577, Page 0228; Exhibit E: Bank of Walterboro Mortgage, recorded October 29, 2007 at Book 0602, Page 0077; Exhibit F: The CIT Group/Consumer Finance, Inc. Mortgage, recorded December 29, 2003 at Book 310, Page 146; Exhibit G: Satisfaction of Mortgage of Mortgage Electronic Registration Systems, Inc., as a Nominee for CIT Group/Consumer Finance, Inc., recorded August 21, 2006 at Book 460, Page 137.

and remains a first position purchase money mortgage lien, and has so remained continuously since its recordation on June 20, 2006.

With regard to the relief requested, Defendant MERS/BNC can present credible evidence to the Court which will demonstrate that this circumstance is one in which the Court should relieve MERS/BNC from the Foreclosure Order and vacate it, set it aside and declare it null and void and of no legal effect, on the grounds that the failure of Defendant MERS/BNC to timely answer the Complaint, oppose a default judgment against it, or appear at the dispositive final hearing on May 20, 2015 were due to mistake, inadvertence, surprise, and/or excusable neglect, all of which, importantly, were brought about, compounded by and exacerbated by Plaintiff's error in mischaracterizing the status of the relevant mortgages and in misstating lien priority as between Plaintiff and Defendant MERS/BNC. Plaintiff further avers and would respectfully request that the Court take judicial notice of the fact that the instant motion was made within a reasonable time, not more than one year (and in fact less than two months) after the Foreclosure Order was entered, and that this motion follows an earlier motion made on July 8, 2015 relating to this same circumstance, requesting a continuance and stay of the foreclosure sale, said motion having been made orally by the undersigned counsel for Defendant MERS/BNC's during a telephone conference with the Special Referee and Plaintiff's counsel on that date.

In support of the instant motion Defendant MERS/BNC will rely upon the pleadings, other filings of record in this action, the public records of Jasper County, the statutory and decisional law of the State of South Carolina, any affidavit(s) which may be served, and any memoranda which may be presented at or prior to the hearing.

(SIGNATURE ON FOLLOWING PAGE)

Respectfully submitted,

FINKEL LAW FIRM LLC

Sean A. O'Connor (SC Bar No.: 68382)
4000 Faber Place Drive | Suite 400
North Charleston, South Carolina 29405
T: 843-577-5460
F: 866-800-7954
soconnor@finkellaw.com

Attorney for Defendant Mortgage Electronic Registration Systems, Inc., as Nominee for BNC Mortgage, Inc.

July 13, 2015

MERS000027

EXHIBIT A

STATE OF SOUTH CAROLINA COUNTY OF JASPER	IN THE COURT OF COMMON PLEAS Non-Jury Foreclosure
Bank of Walterboro, Plaintiff, vs. Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue, Defendants.	SPECIAL REFEREE'S DECREE FOR FINAL JUDGMENT OF FORECLOSURE C/A NO: 2013-CP-27-00253

FILED
2015 MAY 21 PM 4:30
CLERK OF COURT
JASPER COUNTY, SC

NFC File #34756-12-L

This action is one for foreclosure of a mortgage of real estate executed by the Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler to Bank of Walterboro. The Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler were personally served on May 23, 2013. Defendant Rosemelle M. Shuler filed an Answer and Counterclaim. Bank of Walterboro filed a Reply to the Counterclaim. Defendant Charles E. Bush aka Charles Bush is in default. Defendant South Carolina Department of Revenue has been served and filed answers requesting their interests be protected. All other Defendants have also been properly served and are in default. All defendants are properly before the court.

This cause was referred to Darrell Thomas Johnson, Jr., as Special Referee for Jasper County, by Order Of Default and Reference dated September 5, 2014, to take testimony, to determine the issues, to make appropriate findings of facts and conclusions of law, with authority to enter a final judgment in this cause, with appeal to the appropriate Appellate Court pursuant to Rule 53, SCRCP.

A reference hearing has been held before me on May 20, 2015. There were present at the hearing the following: George W. Cone attorney for Plaintiff,

James M. Bunton, Jr. and William Fowler, witnesses for the Plaintiff, R. Thayer Rivers, Jr., attorney for Defendant, Rosemelle M. Shuler and the Defendant, Rosemelle M. Shuler and Defendant Charles E. Bush aka Charles Bush.

At the hearing I reviewed the pleadings, herein and took testimony, received other evidence and heard statements of counsel.

After considering the evidence presented, I make the following findings of fact:

FINDING OF FACT

That the material allegations of the Complaint are true and correct, and that Plaintiff is entitled to the relief prayed for in Plaintiff's Complaint. I find that all necessary and proper parties have been duly served and are properly before the Court and that the Lis Pendens was filed on May 13, 2013.I find that the defendants Charles E. Bush aka Charles Bush and Rosemelle M. Shuler, are not in the military service of the United States of America.

I further find that the closing of the mortgage loan sued on herein took place on or about March 1, 2007 and the Mortgage was recorded on October 29, 2007.

I further find that the Plaintiff is the owner and holder of the note and mortgage referred to in the Complaint herein and that there is now due, owing and unpaid to Plaintiff on account of the Note and Mortgage referred to in the Complaint for principal and interest in the sum of Twenty-Three Thousand Nine Hundred Forty-Nine and 33/100 Dollars ($23,949.33), as of May 20, 2015, with interest thereon after May 20, 2015, at the rate of seven and twenty-five hundredths percent (7.2500%) per annum; and the further sum of Three Thousand Five Hundred Ninety-two and 00/100 Dollars ($3,592.00) as a reasonable sum to be awarded as attorney's fees, as was provided for in said note and mortgage, and that the same is a first lien over the property hereinafter described and over the proceeds of the sale. In making this award of attorneys fees, I have considered the factors set out in Rule 407 SC Appellate Court Rules, Rules of Professional Conduct as Rule 1.5 and which our Supreme Court has stated must be considered. *See eg* Baron Data Systems, Inc. v. Loter, 297 S.C. 382, 377 S.E.2d

296 (1989).

I further find plaintiff has waived a deficiency judgment.

CONCLUSIONS OF LAW

After considering the pleadings and the findings of fact, I make the following conclusions of law, and to the extent these conclusions of law include findings of fact, findings of fact:

The Defendant Rosemelle M. Shulers' Counterclaim alleging the Plaintiff's mortgage is unenforceable as the closing did not take place under the supervision of an attorney is not a valid defense as Matrix Financial Services Corp. v. Fraser, 394 S.C. 134, 714 S.E.d 532 (SC SCt 2012) (allowing such a defense to foreclosure) and BAC Home Loan Servicing, L.P. v. Debra Kinder, 398 S.C. 619, 731 S.E.2d 548 (SC SCt 2012) (clarifying the date of the prospective application of Matrix) clearly stated that the court's ruling in Matrix was prospective only and affected only closings after August 8, 2011.

That Plaintiff, is entitled to the relief prayed for in the Complaint and that the conditions of the note and mortgage set forth in the Complaint herein have been broken and that Plaintiff, is entitled to judgment against the Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler, for the sums hereinabove found to be due on said note and mortgage which judgment shall stand as a lien over the property hereinafter described and over the proceeds of the sale of same. That the mortgaged premises should be sold under order of this Court, that the proceeds of sale, after payment of the costs and expenses, should be credited first upon the judgment of the Plaintiff, and that the surplus, if any, should be held pending further order of this court.

In making the award of attorneys fees, I have considered the factors our Supreme Court has stated must be considered, which are as follows: (1) the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly; (2) the likelihood that the acceptance of the particular employment will preclude other employment by the lawyer; (3) the fee customarily charged in the locality for similar legal services; (4) the amount involved and the results obtained; (5) the time

limitations imposed by the client or by the circumstances; (6) the nature and length of the professional relationship with the client; (7) the experience, reputation, and ability of the lawyer or lawyers performing the services; and (8) whether the fee is fixed or contingent. Rule 407 SC Appellate Court Rules, Rules of Professional Conduct as Rule 1.5. *See eg* Baron Data Systems, Inc. v. Loter, 297 S.C. 382, 377 S.E.2d 296 (1989).

Based on the findings of fact and conclusions of law,

DECREE

1. IT IS ORDERED, ADJUDGED AND DECREED, that judgment be entered in the Office of the Clerk of Court for Jasper County, in favor of the Plaintiff against the Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler in the sum of Twenty-Three Thousand Nine Hundred Forty-Nine and 33/100 Dollars ($23,949.33), principal and interest, plus the further sum of Three Thousand Five Hundred Ninety-two and no/100 ($3,592.00) Dollars as attorney's fees, both said sums to draw interest from May 20, 2015, at the rate of seven and twenty-five hundredths percent (7.2500%) per annum which judgment shall stand as a first lien over the property hereinafter described, and against the proceeds of the sale of same.

2. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the mortgaged premises described in the Complaint and hereinafter described, be sold by Darrell Thomas Johnson, Jr., Special Referee, his designee or his successor in office as such or his designee, at public auction for cash to the highest bidder before the Courthouse door at Ridgeland, South Carolina, after due and legal advertisement, on a sales day to be set out in the Notice of Sale to be filed herein, at the hour set in said notice, or upon some subsequent sales day thereafter to be named by the Plaintiff's attorney, on the terms set out in said Notice of Sale, and to continue to offer said property for sale on succeeding sales days, under the same terms, in the event compliance is not had with the bid of the purchaser, and to so continue until compliance is had.

3. From the proceeds of said sale the Special Referee shall first pay the previously incurred costs of this action as stated in Plaintiff's Affidavit of

Attorneys fees, the future costs of this action, including but not limited to, the publication of the Notice of Sale; second, judgement of the plaintiff, which shall include attorneys fees; third, should the property be sold to a party other than Plaintiff, the Special Referee shall receive One percent (1%) of the proceeds from the sale of said property as his commission for conducting the sale of the property; and fourth, the surplus, if any, be paid to the defendants unless modified by subsequent order of this Court.

4. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the officer conducting the sale require the highest bidder at the sale, other than Plaintiff, to make a cash deposit of five (5%) percent of the bid as earnest money or evidence of good faith. The deposit of the last high bidder shall be applied on the bid should there be a compliance with same. If the person making the highest bid at the sale, other than the Plaintiff, fails to make such deposit immediately, at the time of the acceptance of his bid, then the said premises shall at once be resold at such bidder's risk on the same sales day or upon some subsequent sales day at the option of the Plaintiff's attorneys. If the last high bidder making the deposit herein required fails to comply with the bid without legal excuse being duly shown, then such deposit shall be delivered to Plaintiff and retained by Plaintiff as liquidated damages and the premises shall thereafter be resold upon the same terms and at such purchaser's risk on some subsequent sales day to be designated by Plaintiff or attorney for the Plaintiff.

The Plaintiff, specifically having waived any deficiency judgment, the bidding will not be held open after the sale and compliance therewith may be had immediately after the sale.

5. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the purchaser shall pay for the preparation and recording of all papers and other recording charges and shall be responsible for and pay all taxes and assessments due at the time of sale or thereafter in that the sale is to be made subject to the same.

6. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that upon the terms of sale being complied with, the Special Referee shall make title in fee of the premises

hereinafter described to the purchaser, who shall be let and put into possession of said premises by the Sheriff of Jasper County upon presentation of the deed.

7. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the Sale shall not take place if the Plaintiff, a representative of Plaintiff or Plaintiff's attorney is not present at the time and place of sale or has advised the Special Referee of its bidding instructions.

8. IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that the Defendants, and all persons claiming under, by or through them, or any of them be barred and forever foreclosed of all right, title, interest and equity of redemption in and to the said mortgaged premises so sold, or any part thereof,

The following is a description of the mortgaged premises herein ordered to be sold:

PARCEL A:

ALL that certain piece, parcel or lot of land, situate, lying and being in the county of Jasper, State of South Carolina, and being known and designated as Lot B of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R. L. Sensenbach, R.L.S., which is recorded in Plat Book 12 at Page 453, in the Office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of Two Hundred Fifty (250.0') feet by Lot C, of said subdivision; On the Northeast for a distance of One Hundred Twenty (120.0') feet by the right-of-way of a paved fifty-foot (50') street; On the Southeast for a distance of Two Hundred Fifty (250.0') feet by Lot A of said subdivision; and On the Southwest for a distance of One Hundred Twenty (120.0') feet by lands of F. A. Nimmer.

Subject to Restrictions and Covenants which are recorded in Deed Book 68 at Page 211 in the Office of the Clerk of Court for Jasper County, South Carolina

This being the same property conveyed to Rosemelle N. Shuler and Charles Bush by deed of Tracy R. Cleland dated March 1, 2007 and recorded October 29,2007, in Deed Book 602 at Page 74, in the Office of the Clerk of Court for Jasper County, South Carolina. Charles Bush, one of the Grantee's in that deed is also known as and one and the same person as Charles E. Bush.

TMS # 046-32A-03-008

PARCEL B:

ALL that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing One (1.00) acre, and being bounded and described as follows: On the Northeast for a distance of One Hundred Fourteen and Five Tenths (114.50')

feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; On the Southeast for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by a fifty (50') foot street; On the Southwest for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by the right-of-way of S.C. Hwy. S-175; and On the Northwest for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue;

For a more particular description, reference is asked to that plat by Forrest F. Baughman, R.L.S. dated May 2, 1983 and recorded in Plat Book 16 at Page 480 in the Office of the Clerk of Court for Jasper County, South Carolina.

This being the same tract conveyed an interest was conveyed to Rosemelle M. Shuler by deed of the United States of America, Department of Agriculture dated December 2, 1987 and recorded December 2, 1987 in Deed Book 92 at page 750, in the Office of the Clerk of Court for Jasper County, South Carolina; and the same property in which an interest was conveyed to Rosemelle M. Shuler by quitclaim deed of Henrietta Perry dated June 7, 2001 and recorded June 21, 2001 in Deed Book 238 at page 249 in the Office of the Clerk of Court for Jasper County, South Carolina.

TMS # 062-00-05-017

Darrell Thomas Johnson, Jr./Special Referee

May 20, 2015

Ridgeland, South Carolina

EXHIBIT B

Return To:

LEXINGTON CAPITAL
3 IMPERIAL PROMENADE #100
SANTA ANA, CA 92707

200600002957
Filed for Record in
JASPER COUNTY
PATSYE M GREENE
06-20-2006 At 03:48 pm.
MORTGAGE 24.00
OR Volume 439 Page 138 - 155

Prepared By:

[Space Above This Line For Recording Data]

MORTGAGE

Loan No.: CORNPB1883

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated May 15, 2006 together with all Riders to this document.
(B) "Borrower" is ROSEMELLE SHULER.

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is LEXINGTON CAPITAL

Lender is a CORPORATION
organized and existing under the laws of CALIFORNIA

200600002957
KLECKLEY

Lender's address is 3 IMPERIAL PROMENADE #100, SANTA ANA, CA 92707

Lender is the mortgagee under this Security Instrument.
(D) "Note" means the promissory note signed by Borrower and dated May 15, 2006
The Note states that Borrower owes Lender one hundred two thousand eight hundred and 00/100 Dollars
(U.S. $ 102,800.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than June 1, 2036
(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☒ Balloon Rider	☐ Planned Unit Development Rider	☐ 1-4 Family Rider
☐ VA Rider	☐ Biweekly Payment Rider	☐ Other(s) [specify]

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
(K) "Escrow Items" means those items that are described in Section 3.
(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

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(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, the following described property located in the

COUNTY of JASPER, SOUTH CAROLINA :

[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERETO AS EXHIBIT A.

Parcel ID Number:: which currently has the address of

[Street]

1519 TAYLOR MILL RD

RIDGELAND [City], South Carolina 29936 [Zip Code]

("Property Address"):

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this

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Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. **Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts

Initials:

due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

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

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

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lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

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attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

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(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

Initials:

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

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

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

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

Initials: KB

MERS000046

16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. **Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

18. **Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. **Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

Initials: K.D.

requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Homestead Waiver. Borrower waives all rights of homestead exemption in the Property to the extent allowed by Applicable Law.

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

26. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to 150% of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

Initials: K.M.S

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.

Signed, sealed and delivered in the presence of:

ROSEMELLE SHULER (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

STATE OF SOUTH CAROLINA,
County of Jasper

Personally appeared before me Teresa Hope and made oath that he/she saw the within named Borrower sign, seal, and as his/her/their act and deed, deliver the within written Mortgage; and that he/she with Lillie Kyle witnessed the execution thereof.

Teresa Hope

Sworn to before me this 15 day of May 2006

My Commission Expires: 3/20/2013

Lillie Kyle
Notary Public for South Carolina

LEXINGTON CAPITAL
3 IMPERIAL PROMENADE #100
SANTA ANA, CA 92707

[Space Above This Line For Recording Data]

LOAN #: CORNPB1883

Balloon Rider

THIS BALLOON RIDER is made this 15th day of May, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note (the "Note") to
LEXINGTON CAPITAL
(the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1519 TAYLOR MILL RD, RIDGELAND, SC 29936
[Property Address]

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

ADDITIONAL COVENANTS. In addition to the covenants and agreements in the Security Instrument, Borrower and Lender further covenant and agree as follows (despite anything to the contrary contained in the Security Instrument or the Note):

THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE LENDER YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER.

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

Rosemelle Shuler
ROSEMELLE SHULER -Borrower

5-15-06
Date

-Borrower Date

-Borrower Date

-Borrower Date

-Borrower Date

-Borrower Date

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

This is that same property which was conveyed to Rosemelle M. Shuler by deed recorded in Deed Book 92 at Page 750 on December 2, 1987, and Deed Book 238 at Page 249 on June 21, 2001, in the office of the Clerk of Court for Jasper County, South Carolina.

Map and Parcel No. 062-00-05-017

EXHIBIT C

2/1W

Recording Requested By:
BNC Mortgage, Inc.
When Recorded, Return To:
BNC Mortgage, Inc., Attn: H. Martinez
1901 Main St., #150, Irvine, CA 92614

200700004832 08/13/2007 AT 12:14 PM
OR Volume 0577 Page 0226 - 0227
Filed for Record in JASPER COUNTY
Assignment Fee: $7.00

Order No.
Escrow No.
Loan No. CORNPB1883

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assignment of Mortgage

FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to

BNC MORTGAGE, INC.
1901 MAIN ST., IRVINE, CA 92614

all of the undersigned's right, title and interest in, to and under that certain Mortgage dated May 15, 2006 executed by ROSEMELLE SHULER. ,as mortgagor,

to LEXINGTON CAPITAL ,as mortgagee,
whose mailing address is P.O. BOX 19656
IRVINE, CALIFORNIA 92623-9656

and recorded either
☐ concurrently herewith; or **200600002957
☒ as Instrument No. ~~00000000~~ ** on 06/20/07 in book 439 , page 138 ,
in the official records of JASPER 06 County, State of South Carolina, describing land therein as:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERETO AS EXHIBIT A.

TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Mortgage.

STATE OF CALIFORNIA SS.
COUNTY OF ORANGE

On June 22, 2007 before me,

personally appeared Xehi Polymeropoulos

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

WITNESS my hand and official seal.

Signature Elizabeth P.R. Buttelwo

ELIZABETH P. R. BUTTELWO
COMM. #1733434
NOTARY PUBLIC-CALIFORNIA
Orange County
Comm. Expires Mar 24, 2011

LEXINGTON CAPITAL

XEHI POLYMEROPOULOS
CEO

Witness

Witness

SOUTH CAROLINA (REV. 01/01)

SCASSIGN

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

EXHIBIT D

Recording Requested By:
BNC Mortgage, Inc.
When Recorded, Return To:
BNC Mortgage, Inc., Attn: R. Martinez
1901 Main St., #150, Irvine, CA 92614

200700004833 08/13/2007 AT 12:14 PM
OR Volume 0577 Page 0228 - 0229
Filed for Record in JASPER COUNTY
Assignment Fee: $7.00

Order No.
Escrow No.
Loan No. CORNPB1883

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assignment of Mortgage

FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to
MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ITS SUCCESSORS AND ASSIGNS AS NOMINEE FOR BNC MORTGAGE, INC., ITS SUCCESSORS AND ASSIGNS, P.O. BOX 2026, FLINT, MI 48501

all of the undersigned's right, title and interest in, to and under that certain Mortgage dated May 15, 2006 executed by ROSEMELLE SHULER. ,as mortgagor,

to LEXINGTON CAPITAL ,as mortgagee,
whose mailing address is P.O. BOX 19656
IRVINE, CALIFORNIA 92623-9656

and recorded either
☐ concurrently herewith; or
☒ as Instrument No. 200600002957 on 06/20/2006 in book 439 , page 138 ,
in the official records of JASPER County, State of South Carolina, describing land therein as:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERETO AS EXHIBIT A.

TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Mortgage.

STATE OF CALIFORNIA SS.
COUNTY OF ORANGE

On June 25, 2007 before me,
Dolores Martinez, Notary Public
personally appeared Jamie Langford

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

WITNESS my hand and official seal.

Signature

DOLORES MARTINEZ
COMM. # 1456385
NOTARY PUBLIC • CALIFORNIA
ORANGE COUNTY
Comm. Exp. DEC. 15, 2007

BNC Mortgage, Inc., A
Delaware Corporation

Jamie Langford
Vice President

Darlene Zoli
Witness

Nilda Julian
Witness

SOUTH CAROLINA (REV. 01/01)

SCASSIGN

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

EXHIBIT E

200700006328 10/29/2007 AT 01:43 PM
OR Volume 0602 Page 0077 - 0084
Filed for Record in JASPER COUNTY
Mortgage Fee: $14.00

[Space Above This Line For Recording Data]

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on March 1, 2007
The mortgagor is Rosemelle M. Shuler and Charles Bush
("Borrower"). This Security Instrument is given to
Bank of Walterboro , which is organized and existing
under the laws of South Carolina , and whose address is
P.O. Box 1265, Ridgeland, SC 29936
("Lender"). Borrower owes Lender the Principal sum of Sixty-Nine Thousand Three Hundred Two and no/100
Dollars (U.S. $ 69,302.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on March 1, 2008 . This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns the following described property located in
Jasper County, South Carolina:

SEE EXHIBIT A ATTACHED

which has the address of 186 Dogwood Drive [Street] Ridgeland [City]
South Carolina 29936 [Zip Code] ("Property Address");

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 *et. seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

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

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for

the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

22. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

23. Waivers. Borrower waives all rights of homestead exemption in the Property. Borrower waives the right to assert any statute providing appraisal rights which may reduce any deficiency judgment obtained by Lender against Borrower in the event of foreclosure under this Security Instrument.

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

25. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ 1-4 Family Rider
☐ Graduated Payment Rider	☐ Planned Unit Development Rider	☐ Biweekly Payment Rider
☐ Balloon Rider	☐ Rate Improvement Rider	☐ Second Home Rider
☐ Other(s) [specify]		

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

Signed, sealed and delivered in the presence of:

Charles E. Bush (Seal) - Borrower

Rosemelle M. Shuler (Seal) - Borrower

(Seal) - Borrower

(Seal) - Borrower

STATE OF SOUTH CAROLINA

Before me personally appeared the undersigned witness and made oath that she saw the within named Borrower sign, seal, and as their act and deed, deliver the within written Mortgage; and that she with the other witness witnessed the execution thereof.

Sworn before me this 1st day of March, 2007

3/20/2013 (Seal)
Notary Public for South Carolina

[Space Below This Line For Acknowledgment]

EXHIBIT A

All that certain piece, parcel or lot of land, situate, lying and being in the County of Jasper, State of South Carolina, and being known and designated as Lot B of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R.L. Sensenbach, R.L.S., which is recorded in Plat Book 12 at Page 453, in the office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of 250.0' feet by Lot C, of said subdivision; on the Northeast for a distance of 120.0' feet by the right-of-way of a paved fifty-foot street; on the Southeast for a distance of 250.0' feet by Lot A of said subdivision; and on the Southwest for a distance of 120.0' feet by lands of F.A. Nimmer.

SUBJECT, to Restrictions and Covenants which are recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Deed Book 68 at Page 211.

This is that same property which was conveyed to the Grantors by deed recorded in Deed Book 602 at Page 74 in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1435, Ridgeland, SC 29936.

Map and Parcel No. 046-32A-03-008

This mortgage is additional collateral for that certain note dated March 1, 2007 from Rosemelle M. Shuler and Charles Bush to Bank of Walterboro.

EXHIBIT A

All that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing 1.00 acre, and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480.

This is that same property which was conveyed to the Mortgagor by deed recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1435, Ridgeland, SC 29936.

Map and Parcel No. 062-00-05-017

This mortgage is additional collateral for that certain note dated March 1, 2007 from Rosemelle M. Shuler and Charles Bush to Bank of Walterboro.

EXHIBIT F

200300038216
Filed for Record in
JASPER COUNTY
2003
12-29-2003 At 03:36 pm.
MORTGAGE 10.00
Volume 310 Page 146 - 149

REAL ESTATE MORTGAGE

CIT

Name and Address of Mortgagor(s):	Lender:
MARRIED ROSEMELLE SHULER 1519 TAYLOR MILL RD RIDGELAND, SC 29936 MIN: 100263195004136055	THE CIT GROUP/CONSUMER FINANCE, INC. 5000 FALLS OF NEUSE ROAD SUITE 403-5000 N. PRK. BLD. RALEIGH, NC 27609 Mortgagee: MERS P.O. Box 2026 Flint, MI 48501-2024

Loan Number	Date	Date Final Payment Due	Principal Balance
9500413605	12/19/2003	12/24/33	$8,350.00

This loan is secured by a Mortgage on the real property located at:
1519 TAYLOR MILL RD, RIDGELAND, SC 29936

The words "I," "me" and "my" refer to all Mortgagors indebted on the Note secured by this Mortgage. The words "you" and "your" refer to Lender and Lender's assignees if this Mortgage is assigned. MERS refers to Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the mortgagee under this Mortgage. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, Tel. (888) 679-MERS.

MORTGAGE OF REAL ESTATE

To secure payment of (a) a Note I signed today promising to pay you the Principal Balance as shown above together with interest at the rate in effect from time to time as provided in the Note secured by this Mortgage, which Note has a maturity date of 12/24/33, and all modifications, renewal and extensions thereof, (b) all amounts advanced by you under this Mortgage to protect the security of this Mortgage, and (c) all future advances made under this Mortgage up to one hundred fifty percent (150%) of the original principal balance of the Note plus interest thereon, court costs and attorney's fees, each of the persons signing this Mortgage mortgages, grants, conveys and confirms to MERS and its successors and assigns (solely as nominee for Lender and Lender's successors and assigns), the real estate described below, and all present and future improvements on the real estate and all easements, rights, appurtenances and rents, which is located in South Carolina, County of JASPER (the "Premises"). Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Mortgage, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Premises; and to take any action required of Lender including, but not limited to, releasing and canceling this Mortgage.

SEE ATTACHED LEGAL DESCRIPTION (EXHIBIT 'A')

Together with all improvements now or hereafter erected on the Premises, all easements, rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining to the Premises, and all fixtures now or hereafter part of the Premises, to have and to hold said Premises unto MERS and its successors and assigns (solely as nominee for Lender and Lender's successors and assigns), forever.

TERMS AND CONDITIONS:

PAYMENT OF OBLIGATIONS - If I pay my Note according to its terms, this Mortgage will become null and void.

TAXES - LIENS - INSURANCE - MAINTENANCE - I will pay, when they are due and payable, all taxes, security agreements (including mortgages), liens, assessments, obligations, water rates and any other charges against the Premises, whether superior or inferior to the lien of this Mortgage, maintain hazard insurance on the Premises in your favor in a form and amount satisfactory to you and maintain and keep the Premises in good repair at all times during the term of this Mortgage. You may pay any such tax, lien, assessment, obligation, water rates, premium or other charge (including any charge to maintain or repair the Premises) or purchase such insurance in your own name, if I fail to do so. The amount you pay will be due and payable to you on demand.

SEE OTHER SIDE FOR ADDITIONAL IMPORTANT TERMS
SEE ATTACHED ADJUSTABLE RATE MORTGAGE RIDER TO MORTGAGE

Signed this 19 day of December, 2003
Signed, sealed, and delivered in the presence of:

Witness

Witness

ROSEMELLE SHULER (Seal)

(Seal)

(Seal)

ACKNOWLEDGEMENT

STATE OF SOUTH CAROLINA

PROBATE

COUNTY OF Jasper

Before me, a Notary Public in and for said County and State, personally appeared Laura M. McKenzie who, being duly sworn made oath that (s)he saw the within-named mortgagor(s) sign, seal and as his/her/their act and deed deliver the within-described mortgage, and that (s)he together with Phyllis K. Koumans witnessed the execution thereof.

Signature of Witness

SWORN TO before me this 19 day of December, 2003

Notary Public for South Carolina (Seal)

My Commission Expires: 3-25-04

PHYLLIS K. KOUMANS NOTARY PUBLIC SOUTH CAROLINA My Comm. Exp. 03-25-2004

1219(1) 08.31 1601905
2-1541A (1/02) South Carolina First Mortgage Adjustable Rate

Instrument 200300038216 Volume 310 Page 146

MERS000071

will bear interest at the interest rate in effect from time to time as provided in the Note secured by this Mortgage if permitted by law or, if not, at the highest lawful interest rate, will be an additional lien on the Premises and may be enforced and collected in the same manner as the other obligations secured by this Mortgage. The insurance carrier providing the insurance referred to above will be chosen by me subject to your approval which will not be unreasonably withheld. All insurance policies and renewals must be acceptable to you and must include a standard mortgage clause. You will have the right to hold the policies and renewals. If you require, I will promptly give to you all receipts of paid premiums and renewal notices. In the event of a loss, I will give prompt notice to the insurance carrier and you. You may file a proof of loss if not made promptly by me. Insurance proceeds will be applied to the restoration or repair of the Premises damaged or, at your option, the insurance proceeds will be applied to the sums, secured by this Mortgage, whether or not then due, with any excess paid to me. If I abandon the Premises, or do not answer within ten (10) days, a notice from you that the insurance carrier has offered to settle a claim, then you may collect the insurance proceeds. The ten (10)-day period will begin when the notice is given.

TITLE - The Premises were conveyed to me by a deed which is to be, or has been, recorded before this Mortgage, and I warrant the title to the Premises and will defend title to the Premises against all claims and demands, except as to those matters described below. I further warrant that the lien created by this Mortgage is a valid and enforceable first lien, subordinate only to easements and restrictions of record on the date of this Mortgage, and that during the entire term of the indebtedness secured by this Mortgage, such lien will not become subordinate to anything else.

CONDEMNATION - The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation (the taking of my property for a public use) or other taking of any part of the Premises, or for conveyance in lieu of condemnation, are hereby assigned and will be paid to you and are subject to the lien of and secured by this Mortgage. In the event of a taking of the Premises, the proceeds will be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to me. If the Premises are abandoned by me, or if, after notice by you to me that the condemnor offers to make an award or settle a claim for damages, I fail to respond to you within ten (10) days after the date the notice is given, you are authorized to collect and apply the proceeds, at your option, either to the restoration or repair of the Premises, or to the sums secured by this Mortgage, whether or not then due.

DUE ON SALE OR ALTERATION - Except in those circumstances in which Federal law otherwise provides, I will not, without your consent, sell or transfer the Premises or alter, remove or demolish the buildings on the Premises, allow the Premises to deteriorate or commit waste.

DEFAULT - If I default in paying any part of the indebtedness secured by this Mortgage or if I default in any other way under this Mortgage or under the Note which it secures, or on any other mortgage which covers the Premises, the entire unpaid principal balance and accrued and unpaid interest and any other amounts I then owe to you under this loan will become immediately due if you desire, without your advising me. If I am required to pay immediately in full as described above, I promise to pay your reasonable attorney's fees not in excess of fifteen percent of the unpaid debt after default if the loan is referred to an attorney, not your employee, for collection and all other reasonable costs and expenses you actually incur in collecting the loan or foreclosing on this Mortgage, to the extent permitted by law. If any money is left over after you foreclose on this Mortgage and deduct such attorney's fees and all other costs and expenses incurred, it will be paid to the persons legally entitled to it, but if any money is still owing, I agree to pay you the balance.

APPOINTMENT OF RECEIVER AND ASSIGNMENT OF RENTS - I agree that you are entitled to the appointment of a receiver in any action to foreclose on this Mortgage and you may also enter the Premises and take possession of them, rent them if the Premises are not already rented, receive all rents and apply them to the obligations secured by this Mortgage. I assign all rents to you but you agree that I may continue to collect the rents unless I am in default under this Mortgage or the Note.

RIGHTS CUMULATIVE - Your rights under this Mortgage will be separate, distinct and cumulative and none of them will be in exclusion of any other nor will any act of yours be considered as an election to proceed under any one provision of this Mortgage to the exclusion of any other provision.

NOTICES - I agree that any notice and demand may be given to me either in person or by mail.

RELEASE - Upon payment of all sums secured by this Mortgage, you shall release the Premises from the lien of this instrument. I shall pay recording costs to the extent permitted by applicable law.

EXTENSIONS AND MODIFICATIONS - Each of the persons signing this Mortgage agrees that no modification, renewal or extension of time or other variation of any obligation secured by this Mortgage will affect any other obligation under this Mortgage.

APPLICABLE LAW - This Mortgage is made in accordance with, and will be governed by, the laws of the State of South Carolina and applicable Federal law.

RECEIPT OF COPY - Each person signing this Mortgage acknowledges receipt of a completed and signed copy of this Mortgage.

BINDING EFFECT - This Mortgage is binding on and inures to your, my and MERS' successors and assigns.

SEE OTHER SIDE FOR ADDITIONAL IMPORTANT TERMS

This instrument as prepared by and upon recording should be returned to:
THE CIT GROUP/CONSUMER FINANCE, INC.
P.O. BOX 638, MARLTON, NJ 08053-1941

12/29/03 08:51 160405 SHULER ROSEMELLE

2-2548

Instrument 2003000038216 Volume 310 Page 147

EXHIBIT A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480.

This is that same property which was conveyed to the Mortgagor by deed recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1435, Ridgeland, SC 29936.

Map and Parcel No. 062-00-05-017

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 19TH day of DECEMBER, 2003, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or similar instrument (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Promissory Note (the "Note") to THE CIT GROUP/CONSUMER FINANCE, INC., (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:
1519 TAYLOR MILL RD RIDGELAND, SC 29936
Property Address

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

The Note provides for an initial interest rate of 6.700 %. The Note provides for changes in the interest rate and the monthly payments, as follows. The interest rate I will pay may change on 12/24/05 and on that day every 6 month(s) thereafter. Each date on which my interest rate could change is called a "Change Date."

Beginning with the first Change Date, my interest will be based on an Index. The "Index" is the average of the interbank offered rates for six month U.S. Dollar deposits in the London market based on quotations of 5 major banks (LIBOR), as published in the Wall Street Journal. If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give me notice of this choice. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index." Before each Change Date, the Note Holder will calculate my new interest rate by adding 6.750 % to the Current Index. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. The interest rate I am required to pay at the first Change Date will not be greater than 9.700 % or less than 3.700 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than 1.000 % from the rate of interest I have been paying for the preceeding 6 months. My interest rate will never be greater than 12.700 %. My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again. The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and possibly certain other information as well.

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

ROSEMELLE SHULER (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

EXHIBIT G

2006000004315
Filed for Record In
JASPER COUNTY
PATSYE M GREENE
08-21-2006 At 11:36 am.
SATISFACT 5.00
OR Volume 460 Page 137 - 141

sc

Satisfaction of Mortgage

State of South Carolina
County of JASPER

Mortgage Electronic Registration Systems, Inc., as nominee for the beneficial owner, owner and holder of a mortgage dated 12/19/2003 from ROSEMELLE SHULER to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC AS A NOMINEE FOR CIT GROUP/CONSUMER FINANCE, INC., recorded in JASPER County in Book 310 Page 146-149 and in the amount of 88350, hereby declares the same to be fully satisfied and the lien thereof forever discharged. The property is described as: 1519 Taylor Mill Rd , Ridgeland , SC 29936

IN WITNESS WHEREOF Mortgage Electronic Registration Systems, Inc., has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed by its proper officers thereunto and delivered in the presence of

Mortgage Electronic Registration Systems, Inc.

(Witness)

Printed Name

By: _____ (seal)
Name: BRIDGETTE WINTERS, VICE PRESIDENT

(Witness)

Printed Name

Prepared by and after recording return to: Brown & Associates , 10592-A Fuqua, PMB 426, Houston, TX 77089
1519 Taylor Mill Rd , Ridgeland , SC 29936

2006000004315
BROWN & ASSOCIATES PC
10592-A FUQUA PMB 426
HOUSTON, TX 77089

State of TEXAS

County of HARRIS

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared BRIDGETTE WINTERS, VICE PRESIDENT of **Mortgage Electronic Registration Systems, Inc.**, well known to me to be the person and to hold such office, and severally acknowledged

1. That the person signing this instrument and the person attesting to such signature, are each the proper corporate officer to perform such acts;
2. That such acts were taken under authority duly vested in them by said corporation by a proper resolution of its Board of Directors;
3. That he/she knows the proper seal of the corporation, and the seal which was affixed to this document is the true corporate seal of said corporation by authority of the Board of Directors;
4. That he/she acknowledged said instrument to be the free act and deed of said corporation;
5. That he/she signed this proof to attest to the truth of these facts.

SIGNED AND SWORE TO before me on this 14 day of Aug 2006.
WITNESS my hand and seal in the County and State last aforesaid.

Notary Public In and for the
State of Texas

S. BOUNDS
NOTARY PUBLIC, STATE OF TEXAS
COMMISSION EXPIRES:
DECEMBER 15, 2009

My Commission Expires:

Notary's Printed Name

HOLDER'S ADDRESS:
P.O. Box 2026, Flint, MI 48501-2026
Future Tax Statements should be sent to: Rosemelle Shuler, Po Box 75, , Ridgeland, SC 299362600
MIN: 100263195004136055 MERS Telephone No. 1-888-679-6377

STATE OF Texas

COUNTY OF Harris

HYPOTHECATED STATEMENT

Personally appeared BRIDGETTE WINTERS, before me, the undersigned, who being duly sworn, says that **Mortgage Electronic Registration Systems, Inc.**, is the bona fide owner and holder of the described mortgage; that the mortgage has not been assigned, hypothecated, or otherwise disposed of and that the original mortgage has been lost and after diligent search cannot be found.

Mortgage Electronic Registration Systems, Inc.

By: Bridgette Winters
Name: BRIDGETTE WINTERS, VICE PRESIDENT

SWORN to and subscribed before me this 8-14-06

S. BOUNDS
NOTARY PUBLIC, STATE OF TEXAS
COMMISSION EXPIRES:
DECEMBER 15, 2009

Notary Public for TEXAS
My Commission Expires: _____

Release prepared by and return to: Brown & Associates, PC, 10592-A Fuqua, PMB 426, Houston, TX 77089

Future Tax Statements should be sent to: Rosemelle Shuler, Po Box 75, , Ridgeland, SC 299362600
1519 Taylor Mill Rd , Ridgeland , SC 29936
23161190298777502

MIN: 100263195004136055 MERS Telephone No. 1-888-679-6377

Instrument Volume Page
200600004315 OR 460 140

STATE OF SOUTH CAROLINA) LOST MORTGAGE SATISFACTION
COUNTY OF JASPER)
) MORTGAGE DATA:
ROSEMELLE SHULER,
MORTGAGORS) Dated: 12/19/2003
) Recorded: 12/29/2003
)
) Recorded: Mortgage Book 310 at
page 146-149 Instrument # 200300038216
) Amount: 88350
TO)
MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC AS A NOMINEE FOR CIT GROUP/CONSUMER FINANCE, INC.,
MORTGAGEE)
) Present Mortgagee:

Mortgage Electronic Registration Systems, Inc. as nominee for the beneficial owner

The Undersigned, being the owner and holder of the above-described mortgage, acknowledges that the debt which was secured thereby has been paid in full and the lien of the mortgage is satisfied and canceled.

Mortgage Electronic Registration Systems, Inc.

Date: 9-14-06

Witness:

(witness1)

(witness2)

By: Bridgette Winters
Name: BRIDGETTE WINTERS, VICE PRESIDENT

Prepared by and after recording return to: Brown & Associates , 10592-A Fuqua, PMB 426, Houston, TX 77089
1519 Taylor Mill Rd , Ridgeland , SC 29936
23161190298777502

STATE OF Texas
COUNTY OF Harris PROBATE

Personally appeared before me the undersigned witness, who being duly sworn, says that s/he saw the within named Owner/Holder sign, seal, and deliver the within Lost Mortgage Satisfaction; and that s/he with the other witness whose signature appears above, witnessed the execution thereof.

(Witness2)

SWORN to before me this
9-14-06

S. BOUNDS
NOTARY PUBLIC, STATE OF TEXAS
COMMISSION EXPIRES:
DECEMBER 15, 2009

Notary Public for TEXAS
My Commission Expires: _____

Release prepared by and return to: Brown & Associates, PC, 10592-A Fuqua, PMB 426, Houston, TX 77089
Future Tax Statements should be sent to: Rosemelle Shuler, Po Box 75, , Ridgeland, SC 299362600

MIN: 100263195004136055 MERS Telephone No. 1-888-679-6377

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF JASPER	)	Civil Action No.: 2013-CP-27-00253
Bank of Walterboro,	)	
	)	
Plaintiff,	)	CERTIFICATE OF SERVICE
	)	
v.	)	
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue,	)	
	)	
Defendants.	)	

FILED
JUL 15 AM 8:50

I hereby certify that on the 13th day of July, 2015, a copy of the *Motion To Vacate and Set Aside Final Judgment of Foreclosure and Sale filed May 21, 2015 Pursuant to Rule 60(b), SCRCP* was served upon the following individual(s) by placing same in the United States Mail, proper posted prepaid, addressed as follows:

George W. Cone, Esq.
McLeod Fraser & Cone LLC
Post Office Box 230
Walterboro, South Carolina 29488
Attorney for Plaintiffs

R. Thayer Rivers, Jr., Esq.
Attorney at Law
Post Office Box 668
Ridgeland, South Carolina 29936
Attorney for Defendant, Rosemelle Shuler

Charles E. Bush
390 Church Street
Hardeeville, South Carolina 29927
Defendant, Pro Se

First Family Financial Services, Inc., successor by merger to First Family Financial Services of Georgia, Inc.
c/o CT Corporation System, Registered Agent
2 Office Park Court
Columbia, South Carolina 29223
Defendant

EquiFirst Corporation
c/o CT Corporation System, Registered Agent
150 Fayetteville Street | Box 1011
Raleigh, North Carolina 27601
Defendant

Milton G. Kimpson, Esq.
Office of Gen. Counsel for Tax and Reg. Svcs.
SC Department of Revenue
Post Office Box 12265
Columbia, South Carolina 29211

Jennifer L. Ellis
Litigation Paralegal
FINKEL LAW FIRM LLC
4000 Faber Place Drive | Suite 450
North Charleston, South Carolina 29405
T: (843) 577-5460
F: (866) 800-7954

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF JASPER	)	Civil Action No.: 2013-CP-27-00253
Bank of Walterboro,	)	
	)	
Plaintiff,	)	**MEMORANDUM IN SUPPORT OF MOTION TO VACATE AND SET ASIDE FINAL JUDGMENT OF FORECLOSURE AND SALE PURSUANT TO RULE 60, SCRCP**
	)	
v.	)	
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue,	)	
	)	
Defendants.	)	

FILED IN THE OFFICE OF THE CLERK OF COURT JASPER COUNTY, SC
2015 JUL 23 AM 9:29

I. INTRODUCTION

Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc. ("MERS/BNC"), by and through its undersigned counsel and pursuant to Rule 60 of the South Carolina Rules of Civil Procedure ("SCRCP"), respectfully submits this Memorandum in Support of MERS/BNC's Motion to Vacate and Set Aside Final Judgment. Although MERS/BNC's Motion as filed was styled as sounding under Rule 60(b), SCRCP, the other parties and counsel of record and the Court are hereby notified that MERS/BNC shall proceed under both subparts of the Rule, 60(a) and 60(b).

MERS/BNC requests relief based on certain factual errors discovered after the Special Referee's Decree for Final Judgment of Foreclosure (the "Decree") was filed on May 21, 2015. Specifically, the Special Referee erroneously adopted as fact Bank of Walterboro's ("Plaintiff") allegations that MERS/BNC's mortgage from borrower Rosemelle Shuler (the "MERS/BNC

Mortgage") was either "satisfied or... subordinate to the interest of the Plaintiff." Complaint at Paragraph 12. MERS/BNC did not discover this error until after the Decree was filed. Although MERS/BNC acknowledges that it might have had the opportunity to discover this error in time to prevent the error in the Decree, it avers that mistake, inadvertence, surprise, and/or excusable neglect caused it to fail to appear at the final hearing on May 20, 2015 (the "Hearing") to contest the priority of Plaintiff's lien and the status of MERS/BNC's mortgage. Its error was compounded and exacerbated by the erroneous assertions of the Plaintiff, which mischaracterized the status of the relevant mortgages, misstated lien priority as between Plaintiff and MERS/BNC, and misled the Court, causing it to issue a flawed order containing a material mistake of fact.

In addition, MERS/BNC was never served with an Affidavit of Default by the Plaintiff, which both puts into question the validity of the Decree, and further supports MERS/BNC's contention that its failure to appear at the Hearing was due to mistake, inadvertence, surprise, and/or excusable neglect, as MERS/BNC had no notice that the Hearing would prejudice its rights, particularly give the misstatements of fact in Plaintiff's pleadings. Even if the Court were to find that Rule 60(b) is not applicable, no good faith argument by Plaintiff or the Borrower can be made against the fact of MERS/BNC's superior lien priority over Plaintiff's lien. Therefore the Decree stating that Plaintiff has first lien priority is a mistake in the record caused by Plaintiff's counsel who drafted the Decree, and the error can and should be rectified under the provisions of Rule 60(a), SCRCP to adjust an error in the record due to clerical mistake. Because MERS/BNC is not alleging the Plaintiff's misstatement of lien priority was intentional,

knowing or fraudulent, the only alternative is that Plaintiff's mistake was inadvertent, and thus it was clerical and the very type of error Rule 60(a) is intended to correct.

II. STATEMENT OF FACTS AND PROCEDURAL POSTURE

On May 13, 2013, Plaintiff filed a complaint seeking foreclosure of its mortgage based upon nonpayment of a mortgage loan by Borrower Rosemelle Shuler (the "Complaint"). In it, Plaintiff alleged that it had a lien interest upon the subject real property, to wit, TMS # 062-00-05-017, located and situated at and known as 1519 Taylor Mill Road, Ridgeland, South Carolina, 29936 (the "Property"). Plaintiff's Complaint also identified another lien interest in the Property, held by MERS/BNC, and stated that "on information and belief, the interest of Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc., including the interests created by the foregoing, have been paid in full and satisfied or are subordinate to the interest of the Plaintiff." Complaint at Paragraph 12. MERS was served with the Complaint on May 28, 2013.

After being served, MERS/BNC failed to answer. MERS/BNC avers that its failure to properly and timely handle the instant lawsuit and respond to it from a procedural standpoint was at least in part due to its reliance, however misguided in retrospect, upon Plaintiff's erroneous assertion in the Complaint that MERS/BNC held a subordinate lien on the property, combined with the fact that it appeared no surplus would be available. Despite MERS/BNC's failure to answer, upon information and belief Plaintiff did not cause default to be entered against MERS/BNC in accordance with the procedure prescribed by Rule 55(a), SCRCP. For the next two years the action progressed without MERS/BNC's involvement.

On May 11, 2015, Notice of the Hearing was served on MERS/BNC, nine days before the Hearing was scheduled. A representative of MERS/BNC contacted Plaintiff's attorney asking for more information, as no Notice of Default had ever been served on it. **[Exhibit A.]** On May 20, 2015, less than three hours before the Hearing was to begin, counsel for Plaintiff sent an email to the loan servicer for MERS/BNC, advising of the imminent hearing, the fact that MERS/BNC was in default, and urging MERS/BNC to immediately seek counsel and appear at the hearing. **[Exhibit B.]** Unsurprisingly, MERS/BNC was not able within that short interval to timely arrange for an attorney to attend the hearing on its behalf.

At some point, either just prior to or after the hearing, MERS/BNC realized the error in Plaintiff's assertion that MERS/BNC held a junior and subordinate lien interest in the Property. MERS/BNC then internally escalated the matter and sought the assistance of managing counsel and local South Carolina counsel. Less than two months later, following an investigation, including an examination of the public records and the relevant title history, the undersigned counsel for MERS/BNC undertook communications with the Special Referee, counsel for Plaintiff and counsel for Borrower, and moved orally during a telephone status conference with the Court to postpone the foreclosure sale that had been scheduled for July 9, 2015, and filed the instant Motion on July 13, 2015.

II. STANDARD

Rule 60(b) SCRCP states that the court "may relieve a party or his legal representative from a final judgment, order, or proceeding for... mistake, inadvertence, surprise, or excusable neglect." The moving party has the burden of presenting evidence that entitles it to relief. Bowers v. Bowers, 304 S.C. 65, 67, 403 S.E.2d 127, 129 (Ct. App. 1991). In determining

whether this relief is appropriate, courts are to consider the following factors: "(1) the promptness with which relief is sought; (2) the reasons for the failure to act promptly; (3) the existence of a meritorious defense; and (4) the prejudice to the other party." Rouvet v. Rouvet, 388 S.C. 301, 309, 696 S.E.2d 204, 208 (Ct. App. 2010).

Though Rule 60(b) seems to contemplate mistake, inadvertence, surprise, and excusable neglect to be separate justifications for relief from judgment, and though courts can demand particularized showings of them, the four justifications generally are compressed into a single idea in South Carolina appellate decisions. See ITC Commercial Funding, LLC v. Crerar, 393 S.C. 487, 494, 713 S.E.2d 335, 339 (Ct. App. 2011) (Where the Court contemplated that had the appellant offered evidence of diminished medical capacity it may have shown mistake, inadvertence, and excusable neglect); see also Paul Davis Sys., Inc. v. Deepwater of Hilton Head, LLC, 362 S.C. 220, 225, 607 S.E.2d 358, 360 (Ct. App. 2004) (Where the Court reaffirmed the requirement to make a showing of one of the qualifying grounds for a Rule 60(b) motion, but did not define each of the four justifications separately). Though mistake is sometimes separately defined, the other three generally are not divided into separate concepts, and are instead treated as a collective justification for relieving a party from judgment.

Mistake in the context of Rule 60(b), SCRCP means relief from judgment due to "good faith mistakes of fact if all other applicable factors are met." Hillman v. Pinion, 347 S.C. 253, 256, 554 S.E.2d 427, 429 (Ct. App. 2001). The purpose of this rule is to avoid inequity when the mistake is genuine and not an "attempt to thwart the judicial system." Columbia Pools, Inc. v. Galvin, 288 S.C. 59, 61, 339 S.E.2d 524, 525 (Ct. App. 1986). Courts "favor trial of issues on merit over securing judgment by slight technicalities." Id.

Inadvertence is defined by Black's Law Dictionary as "An accidental oversight; a result of carelessness." Surprise is defined as "[a]n occurrence for which there is no adequate warning or that affects someone in an unexpected way." Excusable neglect is defined as "[a] failure – which the law will excuse – to take some proper step at the proper time (esp. in neglecting to answer a lawsuit) not because of the party's own carelessness, inattention, or willful disregard of the court's process, but because of some unexpected or unavoidable hindrance or accident or because of reliance on the care and vigilance of the party's counsel or on a promise made by the adverse party."

In addition to showing mistake, inadvertence, surprise, and/or excusable neglect, the moving party also must show the existence of a meritorious defense. Mitchell Supply Co., Inc. v. Gaffney, 297 S.C. 160, 163, 375 S.E.2d 321, 323 (Ct. App. 1988). "To establish that he has a meritorious defense, a complainant need not show that he would prevail on the merits, but only that his defense is meritorious." Thompson v. Hammond, 299 S.C. 116, 120, 382 S.E.2d 900, 903 (1989).

III. ARGUMENT

To be successful in a Rule 60(b), SCRCP Motion, the moving party must make a particularized showing of mistake, inadvertence, surprise, and/or excusable neglect. Hillman, 347 S.C. at 256. The moving party must also have made the motion within a reasonable time, and have a meritorious defense. Coleman v. Dunlap, 306 S.C. 491, 495-96, 413 S.E.2d 15, 17 (1992). Finally, the Court will weigh the prejudice to the plaintiff is making its decision. Hill v. Fotts, 345 S.C. 304, 309, 547 S.E.2d 894, 897 (Ct. App. 2001). In the alternative, if the Court finds that the mistake was due to clerical error, and not because of willful misrepresentation or

fraud, then the Court may correct the error without any further analysis. Otten v. Otten, 287 S.C. 166, 167, 337 S.E.2d 207, 208 (Ct. App. 1996).

A. **Mistake, inadvertence, surprise, and excusable neglect caused MERS/BNC to not discover its superior lien position until after the Decree was entered.**

In this case, mistake, inadvertence, surprise, and excusable neglect all played a role in MERS/BNC's failure to timely answer the Complaint. MERS/BNC made a good faith mistake in accepting and not immediately seeking to contest Plaintiff's allegation that MERS/BNC's mortgage was in a subordinate lien position to that of the Plaintiff. Earlier, upon information and belief based on the informal statements of Plaintiff's counsel, the genesis of this entire problem was that Plaintiff's title company provided information to Plaintiff that led Plaintiff to believe, and to assert in the Complaint, that MERS/BNC's mortgage lien had been satisfied.

The error itself is clear and incontrovertible. A mortgage to CIT Group/Consumer Finance, Inc. was dated December 19, 2003 and was recorded December 29, 2003 at Book 310, Page 146 (the "MERS/CIT Mortgage"). A subsequent satisfaction of the MERS/CIT Mortgage, then in the name of Mortgage Electronic Registration Systems, Inc., as Nominee for CIT Group/Consumer Finance, Inc., was dated August 14, 2006 and was recorded August 21, 2006 at Book 460, Page 137. The satisfaction of the MERS/CIT Mortgage unequivocally was not, and did not operate as, a satisfaction or cancellation of the MERS/BNC Mortgage. Nor did any other document or event have that effect. The MERS/BNC Mortgage is and remains a first position purchase money mortgage lien, and has so remained continuously since its recordation on June 20, 2006.

It is not unusual or surprising that any holder of a mortgage lien who believes it is in second lien position behind a senior mortgage lien would assign lesser urgency to committing the resources to defending a foreclosure action by the first position lienholder, particularly where, as here,there appears to be little or no chance of a surplus following the foreclosure sale. In fact, it is not at all uncommon in practice for junior lienholders to not file responsive pleadings or otherwise appear in foreclosure actions brought by senior lienholders. If the pleadings are correct, there is little to no benefit to a junior lienholder in expending that cost to appear and defend. In contrast, what **is** quite unusual and uncommon is for a lienholder to erroneously misstate lien priority in a Complaint, as Plaintiff has done here, and then for the same party which is the author and creator of that error to seek to persuade the Court to ratify and confirm the error so as to award Plaintiff an undeserved windfall even after the error is revealed and undeniably identified such that there can be no serious debate about whether the error occurred and which of the two active mortgages is actually in first lien position. Such a patent and conscious attempt at subversion of equity and the law should not be allowed to stand.

Rule 407-3.3 of the South Carolina Rules of Professional Conduct requires that a lawyer not make a knowingly false statement of fact or law to a court, and further requires that a lawyer must correct any previously false statements inadvertently made. While MERS/BNC is not asserting that Plaintiff or its counsel knowingly mischaracterized lien priority in its Complaint, it was not and is not unreasonable for MERS/BNC to rely on the assertions of Plaintiff and to expect that an incorrect statement of fact will be acknowledged and affirmatively corrected by Plaintiff and its counsel in this proceeding, based upon the existence and application of Rule 407-3.3, SCACR.

This good faith mistake of fact caused MERS/BNC to incur the kind of "accidental oversight" of its rights that characterizes inadvertence. Black's Law Dictionary 245 (3rd Pocket Ed.). MERS/BNC's inadvertent failure to fully appreciate the nature of its lien position caused it to be "affected in an unexpected way," and/or surprised that its entire interest in the Property is now being potentially compromised and threatened by Plaintiff's foreclosure action despite the undeniable fact that MERS/BNC's lien position is superior to that of Plaintiff.

In short, MERS/BNC did admittedly neglect it rights under the mortgage by not immediately investigating and rebutting Plaintiff's false allegations and by failing to ensure that a timely responsive pleading was filed. However, that neglect was excusable because it arose from a good faith mistake of fact, and was compounded by the unintentional mischaracterizations by Plaintiff in the Complaint. Had Plaintiff's title company, and ultimately Plaintiff itself, been correct in its characterization of lien priority, the subsequent expenditure of time and resources by MERS/BNC, the Plaintiff, the Borrower and the Court in an effort to sort out and address this serious problem could have been avoided. It is inequitable and frankly untoward for Plaintiff to now take the position that MERS/BNC has no right to demonstrate its superior lien position and claim the attendant rights. Unless the Court corrects its error and sets aside the judgment, Plaintiff would be awarded an unjust windfall and MERS/BNC would suffer a forfeiture.

Though MERS/BNC failed to answer the Complaint or appear at the Hearing, once it realized its mistake it did not sit on its rights. MERS/BNC learned the outcome of the Hearing in late May 2015 and promptly engaged outside counsel to review its position. A short few weeks later following the requisite thorough investigation, the undersigned counsel contacted the

Special Referee to request postponement of the foreclosure sale from occurring, pending a hearing and a ruling on this Motion and determination of lien priority. On July 13, 2015, less than two months after the Hearing, MERS/BNC filed this motion. Therefore MERS/BNC acted with reasonable promptly and alacrity in attempting to rectify and correct this error, all of which easily fulfills the second requirement of the analysis, i.e., that the party must make the motion within a reasonable time.

The third requirement is that the moving party must have a viable defense. Mitchell, 297 S.C. at 163. MERS/BNC need not show that its defense will be ultimately successful, only that it is meritorious. Thompson, 299 S.C. at 120. Here, MERS/BNC absolutely can show that its position in regard to lien priority is viable and meritorious. Better still, there can be no doubt in examining the public records of Jasper County that MERS/BNC's mortgage was not satisfied, and therefore, because it was recorded earlier in time than Plaintiff's mortgage, it is undeniably senior and superior to Plaintiff's mortgage. The mortgage held by Plaintiff was recorded on October 29, 2007 at Book 0602, Page 77. The mortgage held by MERS/BNC was recorded on June 20, 2006 at Book 439, Page 138, more than a year before the Plaintiff's mortgage. Contrary to Plaintiff's assertion in the Complaint, the mortgage held by MERS/BNC has never been satisfied. The MERS/CIT Mortgage was recorded December 29, 2003 at Book 310, Page 146 and was satisfied in in August 2006. The MERS/CIT Mortgage has no bearing on this Motion, this action or the parties, other than to provide an explanation as to how and why Plaintiff's title company and Plaintiff became confused and made the material mistake that this Motion seeks to correct. For all these reasons, were the Decree to be set aside so that the parties could address the Court in regard to determining the correct lien priority, MERS/BNC would have not only a

viable and meritorious defense – its position is virtually certainly to prevail based on the facts and the publicly recorded documents. On the other hand, to knowingly allow this serious error to stand would undermine equity and the law.

The final factor for the Court to analyze in determining whether to grant a Rule 60(b) motion is the prejudice to the nonmoving party. Prejudice is a "[d]amage or detriment to one's legal rights or claims." Black's at 555. On one hand, Plaintiff may argue that the granting of this Motion would be prejudicial to its position because the judgment of foreclosure it has in hand, subordinating MERS/BNC's superior lien, would be voided, an obviously unfavorable result from Plaintiff's perspective. Importantly, however, Plaintiff is not without recourse. Had Plaintiff's title agent and ultimately Plaintiff not committed an error in characterizing lien priority by misinterpreting the MERS/CIT satisfaction, Plaintiff would have properly identified and understood the senior lien held by MERS/BNC and presumably would not have made the loan to Borrower Rosemelle Shuler. Accordingly, it would appear that Plaintiff should have an excellent claim against its title company, and could potentially be made whole in that manner via insurance proceeds. Needless to say, MERS/BNC would have no such recourse. This type of fact situation is exactly what a lender's policy of title insurance is designed for. The fact that the title company here was the original source of the title work error that led to this problem is all the more reason that it, rather than MERS/BNC, should have to suffer the monetary consequence. The principles of equity strongly support placing this loss with Plaintiff and its title company, as their mistake and their misleading of the Court directly and initially caused the error in the Order, not MERS/BNC's subsequent failure to timely respond and appear.

What is perhaps the most important point here is that a foreclosure action is an action in equity, and equity abhors a forfeiture. Hayne Fed. Credit Union v. Bailey, 327 S.C. 242, 248, 489 S.E.2d 472, 475 (1997); Regions Bank v. Wingard Properties, Inc., 394 S.C. 241, 256, 715 S.E.2d 348, 356 (Ct. App. 2011). Although MERS/BNC certainly made a mistake in not realizing its superior loan position, that error was first precipitated and then exacerbated by the erroneous assertions of the Plaintiff, including the ongoing efforts by Plaintiff to keep and benefit from its ill-conceived, flawed judgment. If the Decree is not set aside, MERS/BNC will suffer a forfeiture and will have no recourse to recover the loan debt owed to it. Such a forfeiture would be an overt and remarkably unjust windfall for Plaintiff. And the Court will have committed reversible error.

Further in regard to fashioning the most equitable and most fair result here, the Borrower, Ms. Shuler, is current and in good standing on her mortgage loan with MERS/BNC. Bank of Walterboro ("BOW") was within its rights to foreclose on the Property even if it had properly identified itself as a junior lienholder. However, the practical and very significant difference – if this Motion is granted and proper lien priority based on the public records is enforced by the Court – is that at the foreclosure sale following the instant BOW action, bidding by any potential third parties would likely be chilled because the Property would be sold subject to MERS/BNC's first mortgage lien, which would remain intact following the sale. Under that scenario, if BOW, the most likely successful bidder, were to take title following the sale and were to then evict Ms. Shuler and take possession, MERS/BNC could, and soon likely would, foreclose on BOW as the new title owner, in which case BOW would have gained little except having incurred attorneys fees and costs in foreclosing against Ms. Shuler. That dynamic could very well disincentivize

BOW from evicting Ms. Shuler, and instead would likely cause BOW to want to allow her to remain in possession and work with her on bringing the BOW loan current. On the other hand, if the erroneous lien priority were maintained by the Court via denial of the instant Motion, Ms. Shuler would have no such protection, as there would be no disincentive for third party bidders to buy the Property at the sale, and BOW, if it were to be the successful bidder, would be free to move forward with eviction in order to sell the property and collect its ill-gotten windfall

Equity follows the law. Id., 394 S.C. at 250. The law applied to these facts clearly provides that the first lien recorded is the one that has priority, and MERS/BNC's lien was recorded first. Often in cases of equity, its principles and maxims are at odds with each other. Id., 394 S.C. at 249. But here the answer is simple: Both the law and fairness require that MERS/BNC's lien must be given priority, as it was recorded well over a year before Plaintiff's. For these reasons, the Court should grant the Motion.

B. Rule 60(a) allows for the mistakenly stated lien priority to be corrected in this instance.

Rule 60(a) SCRCP states that "[c]lerical mistakes in judgments, orders or other parts of the record and errors therein arising from oversight or omission may be corrected by the court at any time of its own initiative or on the motion of any party and after such notice, if any, as the court orders." "A clerical error 'is a mistake or omission by a clerk, counsel, judge or printer, which is not the result of exercise of judicial function.'" Ex Parte: Strom In Re: Collins Entertainment Corp. v. Columbia "20" Truck Stop, Inc., 343 S.C. 257, 264, 539 S.E.2d 699, 702 (2000). The mistake in the instant matter did not result from a judicial function.

Fact finding is a judicial function. Jennings v. Sawyer, 182 S.C. 427, 189 S.E. 746, 749 (1937), overruled by McCall by Andrews v. Batson, 285 S.C. 243, 329 S.E.2d 741 (1985) (but not overruling that fact finding is a type of judicial function). However, in the present case, there was no contested fact or legal dispute for the Special Referee to decide. Instead, Plaintiff's attorney drafted the Decree, which the Special Referee adopted by signing. Unfortunately, the Decree contained a significant mistake of fact regarding lien priority. Had MERS/BNC and Plaintiff made competing presentations to the Special Referee, requiring the Special Referee to make a decision and to rule, then there would have been an exercise of judicial function. But because the Referee instead simply adopted the uncontested view of Plaintiff, the incorrect priority of the liens can be properly and accurately characterized as the kind of clerical mistake that can and should be corrected through Rule 60(a), SCRCP.

MERS/BNC posits that this incorrect statement of lien priority results from a clerical mistake, because the only other alternative is that Plaintiff was attempting to perpetrate a fraud on the Court. MERS/BNC does not believe or suggest that Plaintiff intentionally mischaracterized its lien position then hoped for MERS/BNC to default so it could walk away with an undeserved windfall. Instead, MERS/BNC believes Plaintiff simply made a good faith mistake of fact as a result of a bad title exam report. That the Special Referee adopted this mistake of fact cannot have been result of a judicial function such as deciding between two competing arguments by the parties. This is, therefore, the type of clerical error that can and should be corrected under Rule 60(a), SCRCP. For these reasons, the Court should grant the Motion.

IV. CONCLUSION

Rule 60 SCRCP, drawn from the similar Federal Rule, was adopted in 1985 to allow a vehicle for relief from a judgment or order when a mistake has been made, and justice and fairness demands that the judgment be overturned.[1] The case before the Court is exactly the type of situation for which Rule 60 was designed. Here, MERS/BNC is in a position of clear and undeniable lien priority over Plaintiff, yet if the erroneous Decree were to be enforced against it, it would suffer a costly forfeit, and Plaintiff would be granted an unjust and unseemly windfall.

Either MERS/BNC was victim of the kind of mistake, inadvertence, surprise, or excusable neglect that Rule 60(b) allows to be set right by setting aside the incorrect Decree upon the showing of a meritorious defense, or alternatively, rather than attempting to defraud the Court, Plaintiff merely made the type of clerical error that can and should be easily corrected under Rule 60(a). Either way, the Decree should be vacated and set aside, and MERS/BNC should be returned to and established in its correct and rightful position as first priority mortgage lienholder. The facts of this case, the applicable law and the principles of equity compel that result.

(SIGNATURE ON FOLLOWING PAGE)

[1] Rule 60(b) is substantially the same as S.C. Code Ann. § 15-27-130.

Respectfully submitted,

FINKEL LAW FIRM LLC

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F: 866-800-7954
soconnor@finkellaw.com

Attorney for Defendant Mortgage Electronic Registration Systems, Inc., as Nominee for BNC Mortgage, Inc.

July 20, 2015

MERS000097

EXHIBIT
tabbies
A

Linda

From: Sanasam, Lucita <Lucita.Sanasam@ocwen.com>
Sent: Tuesday, May 19, 2015 6:02 PM
To: LINDA@MFCLAWFIRM.COM
Subject: Loan # 7141227947; property address: 1519 Taylor Mill Rd

Hi Linda,

We have received notice from your law firm regarding foreclosure lien on the subject property.

Please find the attached file page 6-9 and provide us more detail what needs to be done from escrow company

Note: Ocwen is servicing this property and its escrow with us for taxes.

Thanks & Regards
Lucita Sanasam
1800-280-3863 Ext: 65101
Fax # 561-682-8880
Lucita.Sanasam@ocwen.com

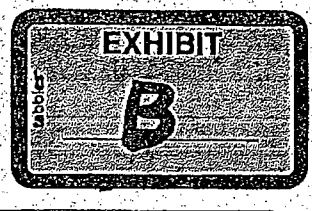
****
**
This E-mail message and any attachments are intended solely for the use of the addressee hereof and may contain information that is confidential, privileged and/or exempt from disclosure under applicable law. Delivery of this message to any person other than the intended recipient shall not constitute a waiver of any right, privilege or exemption. If you are not the intended recipient, please immediately notify the sender by reply E-mail and permanently delete this message from your system without reproducing or disclosing it to any third party. While Ocwen Financial Corporation and its subsidiaries take reasonable precautions to prevent transmission of software viruses, we cannot guarantee the same and we therefore disclaim liability for any damage sustained by you or any third party as a result thereof
****
**

PHONE CALL

FOR Linda / George DATE May 19, 2015 TIME 2:40 A.M. P.M.
M Loan Servicing
OF Lucita
PHONE 800-280-3863 CELL EXT. 64953
MESSAGE Rosemelle Shuler
Ref# 7141227947
MFC File # 34756
SIGNED ME

- [x] TELEPHONED
- [ ] RETURNED YOUR CALL
- [x] PLEASE CALL
- [ ] WILL CALL AGAIN
- [ ] CAME TO SEE YOU
- [ ] WANTS TO SEE YOU

5/19/15 - 3:43 No Ans. attd.



George Cone

From: George Cone <gwc@mfclawfirm.com>
Sent: Wednesday, May 20, 2015 11:06 AM
To: 'Lucita.Sanasam@ocwen.com'
Cc: Linda Jordan (linda@mfclawfirm.com)
Subject: FW: Loan # 7141227947; property address: 1519 Taylor Mill Rd
Attachments: Doc_19147648_05122015075506.pdf; Linda C Jordan.vcf

Ms. Sanasam
Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. was served in 2013 with a foreclosure action brought by Bank of Walterboro and has been declared to be in default by the Court. This is the final hearing on that foreclosure. You should advise Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. to seek advice of counsel at once. The final hearing is scheduled for 2:00 PM today, May 20, 2014 as stated in the Notice you received.

George W. Cone, Esq.

McLeod Fraser & Cone LLC
111 East Washington Street
P O Box 230
Walterboro, SC 29488
telephone 843/549-2516
telecopier 843/549-2307
email gwc@mfclawfirm.com

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF JASPER	)	Civil Action No.: 2013-CP-27-00253
Bank of Walterboro, Plaintiff, v. Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue, Defendants.	)	CERTIFICATE OF SERVICE

2015 JUL 23 AM 9:29
JASPER COUNTY, SC
CLERK OF COURT

I hereby certify that on this the 20th day of July, 2015, a copy of the *Memorandum In Support of Motion to Vacate and Set Aside Final Judgment of Foreclosure and Sale Pursuant to Rule 60, SCRCP* was served upon the following individual(s) by mailing a copy of the same with sufficient first class postage affixed thereto and addressed as follows:

George W. Cone, Esq.
McLeod Fraser & Cone LLC
Post Office Box 230
Walterboro, SC 29488
Attorney for Plaintiff

R. Thayer Rivers, Jr., Esq.
Attorney at Law
P.O. Box 668
Ridgeland, SC 29936
Attorney for Defendant Rosemelle M. Shuler

Charles E. Bush
390 Church Street
Hardeeville, SC 29927
Defendant Pro Se

First Family Financial Services, Inc., successor by merger to
First Family Services of Georgia, Inc.
c/o CT Corporation System, Registered Agent
2 Office Park Court
Columbia, SC 29223
Defendant

Equifirst Corporation
c/o CT Corporation System, Registered Agent
150 Fayetteville Street, Box 1011
Raleigh, NC 27601
Defendant

Milton G. Kimpson, Esq.
Office of Gen. Counsel for Tax and Reg. Services
SC Department of Revenue
PO Box 12265
Columbia, SC 29211

Sean A. O'Connor
FINKEL LAW FIRM LLC
4000 Faber Place Drive | Suite 450
North Charleston, South Carolina 29405
T: 843-577-5460
F: 866-800-7954

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	BANK OF WALTERBORO'S MEMORANDUM OF LAW AND ARGUMENT OF COUNSEL IN OPPOSITION TO RULE 60 MOTION FILED BY MERS
	)	
Defendants.	)	
	)	

MFC File #34756-12-L

BACKGROUND

Bank of Walterboro filed a Summons, verified Complaint, Notice of Pendency of Action in this foreclosure action dated May 10, 2013.

Those documents were mailed to the agent for the service of process, as required by Rule 4 of the SCRCP, for Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage (hereinafter MERS) on May 23, 2013 and received by MERS on May 28, 2015. The Affidavit of Mailing and the Return Card acknowledging receipt are of record herein.

An Affidavit of default was signed by the attorney for Plaintiff on November 27, 2013 and is of record herein.

On September 5, 2013 an Order of Default and Reference was

signed by Carmen T. Mullen, Administrative Judge for the Fourteenth Curcuit Court of Common Pleas. That Order provided *inter alia*:

> IT IS ORDERED that the Defendants, Charles E. Bush aka Charles Bush, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. be, and they hereby are adjudged to be in default, ... (emphasis supplied)

On September 16, 2014 a Notice of Hearing was mailed to MERS and received by MERS September 19, 2014. That hearing was canceled.

A Notice of Rescheduled Hearing was mailed to MERS on October 15, 2014 and received by MERS on October 16, 2014. That hearing was also canceled.

A new Notice of Hearing was mailed to MERS May 6, 2015 and received by MERS on May 11, 2015.

The foreclosure hearing was held on May 20, 2015 and resulted in an Special Referee's Decree for Final Judgement of Foreclosure dated May 20, 2015.

A copy of that Decree and the Notice of Special Referee's Sale were mailed to MERS May 22, 2015 and received by MERS on May 27, 2015.

On July 8, 2015 the Court entered an Order continuing the foreclosure sale.

That order stated in part:

that the foreclosure sale needed to be postponed "on the

grounds that the dispositive foreclosure Order, and prior to that the Complaint, contained an error of fact with regard to lien priority as between Plaintiff and Defendant MERS/BNC Mortgage, Inc."

and

that "Mr. O'Connor agreed that his client would pay the cost of additional publication and service."

and

that "The Special Referee hereby instructs Counsel for MERS/BNC Mortgage to file the motion promptly without delay and of course to copy all counsel of record and the Special Referee's office."

On July 13, 2015 MERS filed a Motion to set aside the foreclosure decree pursuant to Rule 60(b), SCRCP. The motion stated

> The grounds for this motion are that the Foreclosure Order, which incorporated and repeated as findings certain allegations made by Plaintiff in its Complaint and presented again by Plaintiff at the dispositive final hearing on May 20, 2015, contained a material error of fact with regard to an alleged satisfaction of a mortgage and as to lien priority as between Plaintiff Bank of Walterboro and Defendant MERS/BNC Mortgage, Inc.

And further stated that the mortgage held by MERS "remains a first position purchase money mortgage...."

The motion went on to state:

"With regard to the relief requested, Defendant MERS/BNC can present credible evidence to the Court which will demonstrate that this circumstance is one in which the Court should relieve MERS/BNC from the Foreclosure Order and vacate it, set it aside and declare it null and void and of no legal effect, on the grounds that the failure of Defendant MERS/BNC to timely answer the Complaint, oppose a default judgment against it, or appear at the dispositive final hearing on May 20, 2015 were due to mistake, inadvertence, surprise, and/or excusable neglect, all of which, importantly, were brought about, compounded by and exacerbated by Plaintiffs error in mischaracterizing the status of the relevant mortgages and in misstating lien priority as between Plaintiff and Defendant MERS/BNC."

On July 20, 2015, MERS filed a memorandum in support of its Rule 60, SCRCP motion. That motion stated that MERS would proceed under Rule 60(a) and Rule 60(b), SCRCP.

The Memorandum states in part:

MERS/BNC requests relief based on certain factual errors discovered after the Special Referee's Decree for Final Judgment of Foreclosure (the "Decree") was filed on May 21, 2015. Specifically, the Special Referee erroneously adopted as fact Bank of Walterboro's ("Plaintiff') allegations that MERS/BNC's mortgage from borrower

Rosemelle Shuler (the "MERS/BNC Mortgage") Mortgage") was either "satisfied or. . . . subordinate to the interest of the Plaintiff." Complaint at Paragraph 12. MERS/BNC did not discover this error until after the Decree was filed. Although MERS/BNC acknowledges that it might have had the opportunity to discover this error in time to prevent the error in the Decree, it avers that mistake, inadvertence, surprise, and/or excusable neglect caused it to fail to appear at the final hearing on May 20, 2015 (the "Hearing") to contest the priority of Plaintiffs lien and the status of MERS/BNC's mortgage. Its error was compounded and exacerbated by the erroneous assertions of the Plaintiff, which mischaracterized the status of the relevant mortgages, misstated lien priority as between Plaintiff and MERS/BNC, and misled the Court, causing it to issue a flawed order containing a material mistake of fact. (emphasis supplied)

The Memorandum admits that MERS was served on May 28, 2013, and goes on to state that "[f]or the next two years the action progressed without MERS involvement."

*** The Memorandum also states: "A representative of MERS/BNC contacted Plaintiffs attorney asking for more information, as no Notice of Default had ever been served on it. [Exhibit A.] (emphasis supplied)

There is no evidence as to the reason for the call to

Plaintiff's attorney. It should be noted that when the two prior hearing notices were received by MERS in 2014, no inquiry was made.

The memorandum goes on to state:

> On May 20, 2015, less than three hours before the Hearing was to begin, counsel for Plaintiff sent an email to the loan servicer for MERS/BNC, advising of the imminent hearing, the fact that MERS/BNC was in default, and urging MERS/BNC to immediately seek counsel and appear at the hearing. [Exhibit B.] (emphasis supplied)

That statement mis-characterizes the contents of Exhibit B as there is no mention of any advice from Plaintiff's attorney about the attorney for MERS appearing at the hearing.

The memorandum goes on to say: "At some point, either just prior to or after the hearing, MERS/BNC realized the error in Plaintiffs assertion that MERS/BNC held a junior and subordinate lien interest in the Property."

Questions presented:

1. Has MERS met the standard of Rule 60(b), SCRCP so as to be granted its requested relief.
2. Did MERS timely notify the other parties to this action of the expanded basis of its motion?
3. Has MERS met the standard of Rule 60(a), SCRCP so as to granted its requested relief?

QUESTION 1: Has MERS met the standard of Rule 60(b), SCRCP so as to be granted its requested relief.

Rule 60(b), SCRCP provides in part:

(b) Mistakes; Inadvertence; Excusable Neglect; Newly Discovered Evidence; Fraud, etc. On motion and upon such terms as are just, the court may relieve a party or his legal representative from a final judgment, order, or proceeding for the following reasons:

(1) mistake, inadvertence, surprise, or excusable neglect;

....

This is the subsection under which MERS Rule 60(b) motion has apparently been made.

In determining whether this relief is appropriate, courts are to consider the following factors: "(1) the promptness with which relief is sought; (2) the reasons for the failure to act promptly; (3) the existence of a meritorious defense; and (4) the prejudice to the other party." Rouvet v. Rouvet, 388 S.C. 301, 309, 696 S.E.2d 204,208 (Ct. App. 2010).

In Rovert v. Rovert, 388 S.C. 301, 309, 696 S.E.2d 204,208 (Ct App. 2010), the S. C. Court of Appeals also stated "The movant in a Rule 60(b) motion has the burden of presenting evidence proving the facts essential to entitle her to relief." *See also* Lanier v. lanier, 364, S.C. 211, 215 688 S.E. 2d 456, 458 (Ct. App. 2003)

In McClung v. Deaton, 395 S.C. 85, 87, 716 S.E. 2d 887, 888 (2011) The South Carolina Supreme Court stated, "It is well settled that the moving party in a Rule 60(b) motion has the burden of

presenting evidence entitling him to relief. Memorandum in support of a motion is not evidence." (emphasis supplied)

Relief under Rule 60 (b) (1) is within the sound discretion of the Court and an a ruling on such a motion will not be disturbed absent an abuse of discretion, as when the trial judge was controlled by an error of law or where his order is based on factual conclusions that are with out evidentiary support. *See*, Tri-County Ice and Fuel v. Palmetto Ice, 303 S.C. 237, 242, 399 S.E. 2d 779, 782 (1991; Thompson v. Hammond, 299 S.C. 116,119, 382 S.E. 2d 900, 902-903 (1989).

Quoting from MERS Memorandum in support of its motion: "Inadvertence is defined by Black's Law Dictionary as 'An accidental oversight; a result of carelessness.' Surprise is defined as '[a]n occurrence for which there is no adequate warning or that affects someone in an unexpected way.' Excusable neglect is defined as '[a] failure which the law will excuse - to take some proper step at the proper time (esp. in neglecting to answer a lawsuit) not because of the party's own carelessness, inattention, or willful disregard of the court's process, but because of some unexpected or unavoidable hindrance or accident or because of reliance on the care and vigilance of the party's counsel or on a promise made by the adverse party."

The memorandum submitted by MERS admits that neglected it rights to file an answer stating: "MERS/BNC did admittedly neglect it rights under the mortgage by not immediately investigating and

rebutting Plaintiffs false allegations and by failing to ensure that a timely responsive pleading was filed."

Here MERS/BNC relies solely on the fact that their mortgage as recorded is not satisfied of record and that MERS/BNC relied on the assertion in Plaintiff's Complaint that the lien of the MERS/BNC mortgage was subordinate to Plaintiff's mortgage. (I would point out that, as of the time of the writing of this memorandum,no evidence of this alleged fact has been presented by affidavit or otherwise.) The Complaint stated only that the MERS/BNC mortgage was on information and belief satisfied or subordinate, not that it was subordinate. There were also two other mortgages prior to the MERS/BNC mortgage about which this same allegation was made.

The Complaint filed by Bank of Walterboro alleges that the mortgage of Plaintiff was executed March 1, 2007 and duly recorded on October 29, 2007, in Deed/Mortgage Book 0602 at Page 77 in the Office of the Clerk of Court for Jasper County, South Carolina. A copy of the mortgage was attached to the Complaint as Exhibit "A."

The Complaint further alleged that there were three (3) mortgages, dated and recorded prior to the mortgage to Plaintiff, of record against the individually owned property of Rosemelle M. Shuler (Parcel B in the Mortgage and Complaint) and each of those mortgages, on information and belief, had "been paid in full and satisfied or is subordinate to the interest of Plaintiff." These mortgages were alleged in paragraph's 10, 11 and 12 of the Complaint as follows:

10. Upon information and belief, the Defendant, FIRST FAMILY FINANCIAL SERVICES OF GEORGIA, INC. is a corporation not organized under the laws of the State of South Carolina but subject to the jurisdiction of this Court and may have or claim to have some interest in or lien on Parcel B described above which is the subject of this action by virtue of and as evidenced by the following:

> Mortgage from Rosemelle W. Shuler to First Family Financial Services of Georgia, Inc. dated March 27, 1998 and recorded in M.R.E. Book 148 at page 112, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "D", and made a part and parcel hereof and incorporated by reference;

and on information and belief, the interest of First Family Financial Services of Georgia, Inc., including the interest created by the foregoing has been paid in full and satisfied or is subordinate to the interest of Plaintiff.

11. Upon information and belief, the Defendant, EQUIFIRST CORPORATION is a corporation not organized under the laws of the State of South Carolina but subject to the jurisdiction of this Court and may have or claim to have some interest in or lien on Parcel B described above which is the subject of this action by virtue of and as evidenced by the following:

Mortgage from Rosemelle W. Shuler to EquiFirst Corporation dated June 15, 2001 and recorded June 21, 2001, in M.R.E. Book 213 at page 1, in the Office of the Clerk of Court for Jasper County, South Carolina. a copy of which is hereunto attached, marked Exhibits "E", and made a part and parcel hereof and incorporated by reference;

and on information and belief, the interest of EquiFirst Corporation, including the interest created by the foregoing have been paid in full and satisfied or are subordinate to the interest of Plaintiff.

12. Upon information and belief, the Defendant, MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., is a corporation not organized under the laws of the State of South Carolina but subject to the jurisdiction of this Court and may, AS NOMINEE FOR BNC MORTGAGE, INC., have or claim to have some interest in or lien on Parcel B described above which is the subject of this action by virtue of and as evidenced by the following:

a. Mortgage from Rosemelle Shuler to Lexington Capital dated May 15, 2006 and recorded June 20, 2006, in M.R.E. Book 439 at page 138, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "F", and made a part and parcel hereof and incorporated by reference;

b. Assignment of Mortgage from Lexington Capital to BNC Mortgage, Inc. dated June 22, 2007 and recorded August 13, 2007, in M.R.E. Book 577 at page 226, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "G", and made a part and parcel hereof and incorporated by

reference;

c. Assignment of Mortgage from BNC Mortgage, Inc. to Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. dated June 25, 2007 and recorded August 13, 2007, in M.R.E. Book 577 at page 228, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "H", and made a part and parcel hereof and incorporated by reference;

and on information and belief, the interest of Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc., including the interests created by the foregoing, have been paid in full and satisfied or are subordinate to the interest of Plaintiff.

The assertion as to each of these three (3) mortgages was made based on the fact that the three mortgages were not listed in the Investors Title Insurance Company Commitment issued to Bank of Walterboro prior to Bank of Walterboro making the loan and taking the mortgage which are the subject of this action, but were listed in the abstract obtained by the attorney for Bank of Walterboro from Advantage Title for the purpose of bringing isoreclosure.

The allegation in paragraphs 10, 11 and 12 of Plaintiff's Complaint were not based on a mistake of fact, but were made to allow the holders of those mortgages to come forward in their answers to the Complaint and assert that their interests including their interests under their mortgages had not have been paid in full and satisfied and were not subordinate to the interest of

Plaintiff. Nowhere in paragraphs 10, 11 and 12 of Plaintiff's Complaint did Plaintiff assert that the mortgages cited therein had been satisfied or subordinated of record.

This is the typical way of pleading as to *******unsatisfied mortgages of record, when a Plaintiff seeking to foreclose a mortgage encounters such prior mortgages and has no information to allege otherwise. It allows those mortgage holders to come forward and assert their rights under their mortgages.

As to MERS, the Complaint set forth in paragraph 12 the allegation that MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., is a corporation not organized under the laws of the State of South Carolina but subject to the jurisdiction of this Court and may, AS NOMINEE FOR BNC MORTGAGE, INC. claim some interest in the property of Ms. Schuler which was subject to the foreclosure. Copies of the mortgage originally granted to Lexington Capital and held by MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR BNC MORTGAGE, INC., along with the two assignments whereby MERS came to be the holder were specified in detail and copies of them were attached to the Complaint as Exhibits "F", "G" and "H." All this was done to make sure that MERS knew which mortgage Plaintiff was referring to.

Plaintiff's attorney in drafting the Complaint did not consider or mention the mortgage previously held by MERS for CIT, the satisfaction of which MERS alleges was confused with and mistaken for a satisfaction of the mortgage held by MORTGAGE

ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR BNC MORTGAGE, INC. That mortgage and its satisfaction were not mentioned in Plaintiff's Complaint or at the hearing on this matter and were not confused, by Plaintiff or the Court, with the mortgage held by MERS on behalf of CIT.

As to any mistake by MERS as to what mortgage MERS held, that caused MERS to be made a party to this foreclosure should have been readily apparent from the caption of the Summons and Complaint which listed as a Defendant Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage.

All of MERS statements in its motion and memorandum about the CIT mortgage and the satisfaction of the CIT mortgage are a red herring, with absolutely no bearing on this matter. The mortgage held in the name of Mortgage Electronic Registration Systems, Inc., as Nominee for CIT Group/Consumer Finance, Inc., could not reasonably have been mistaken for the mortgage held in the name of Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage.

To the best of Plaintiff's attorney's knowledge, no affidavit from any agent or employee of MERS has, as of the time of preparing this memorandum, has been presented to the Court or to the other parties to this action as evidence of the assertions made by Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage as to why it did not answer the Complaint or attend the hearing.

In MERS/BNC's Memorandum in support of its motion it states, as to the allegations in paragraph 12 of Plaintiff's Complaint: "MERS/BNC did not discover this error until after the Decree was filed. Although MERS/BNC acknowledges that it might have had the opportunity to discover this error in time to prevent the error in the Decree, it avers that mistake, inadvertence, surprise, and/or excusable neglect caused it to fail to appear at the final hearing on May 20, 2015 (the "Hearing") to contest the priority of Plaintiffs lien and the status of MERS/BNC's mortgage.

The Memorandum also states that "At some point, either just prior to or after the hearing, MERS/BNC realized the error in Plaintiffs assertion that MERS/BNC held a junior and subordinate lien interest in the Property.

Lee Lott, who is on information and belief an attorney for MERS, called for Mr. Cone (attorney for Bank of Walterboro) on June 6, 2015 and left a message and Mr. Cone returned his call on June 8,2015 and left a message for Mr. Lott to call, but Mr. Lott did not call back until June 16, 2015 at which time he said he would have South Carolina legal council contact Mr. Cone. On June 6, 2015 and on June 16, 2015 the appeal period had not expired. MERS/BNC had received the Decree on May 27, 2015 and the Decree was still within the appeal period, where many of the issues raised by MERS/BES could have been more properly addressed. Had MERS acted promptly on receipt of the Foreclosure Decree on May 27, 2015 it could have sought relief by appropriate post trial motion or

appeal.

MERS/BNC asserts in its memorandum "If the Decree is not set aside, MERS/BNC will suffer a forfeiture and will have no recourse to recover the loan debt owed to it." It neglects to mention that it will still hold the promissory note that the MERS/BNC mortgage secured.

MERS/BNC also asserts that Plaintiff will suffer no loss if its motion is granted. Plaintiff has not filed suit against Investors Title Insurance Company based on the fact that the holders of all prior mortgages that appear unsatisfied of record defaulted and thus admitted the allegations in Plaintiff's Complaint that the Plaintiff's mortgage was a first mortgage on Ms. Shuler's property.

Plaintiff has also expended sums for costs and expenses, which could have been prevented had MERS/BNC acted more promptly.

QUESTION 2. Did MERS timely notify the other parties to this action of the expanded basis of its motion?

The Memorandum MERS sent out on July 20, 2015 state MERS was expanding its motion to include a request for relief under Rule 60(a), SCRCP.

Plaintiff would point out that MERS provided only three days notice of this new ground. Plaintiff leaves this question to the discretion of the Court after hearing from the other parties. Plaintiff will, however, address the MERS motion under Rule 60(a) in this memorandum.

QUESTION 3. Has MERS met the standard of Rule 60(a), SCRCP so as to granted its requested relief?

Rule 60(a), SCRCP states:

> (a) Clerical Mistakes. Clerical mistakes in judgments, orders or other parts of the record and errors therein arising from oversight or omission may be corrected by the court at any time of its own initiative or on the motion of any party and after such notice, if any, as the court orders. During the pendency of an appeal, leave to correct the mistake must be obtained from the appellate court. The ending of a term of court or departure from the circuit shall not operate to deprive the trial judge of jurisdiction to correct such mistakes. A party filing a written motion under this rule shall provide a copy of the motion to the judge within ten (10) days after the filing of the motion.

Here there has been no clerical mistake in Plaintiff's Complaint or in the Foreclosure Decree for, as plaintiff has explained earlier in this memorandum, its pleading were not based on mistake; and as to MERS, Plaintiff's Complaint was drafted as it was so that MERS could answer the Complaint and assert any rights it claimed under the MERS/BNC mortgage. The Plaintiff did not allege that the MERS/BNC mortgage had been satisfied of record or subordinated of record. Just that Plaintiff was informed and believed that the mortgage was satisfied or subordinate to

Plaintiff's mortgage. Quite often mortgage satisfactions are sent to the mortgagor or to an attorney handing a closing, the proceeds of which are used to pay off the prior mortgage, with the expectation that they will then be recorded, but they not subsequently recorded.

MERS/BNC has asserted that its mortgage was a purchase money first mortgage based on the real estate records in Jasper County. This is clearly in error as the real estate records in Jasper County clearly show the two other mortgage referenced in paragraphs 10 and 11 of Plaintiff's Complaint were recorded prior to its mortgage and are not satisfied of record.

Also, Rosemelle Shuler acquired the tract she owns individually and which is subject to this action from two deeds as follows:

1. deed of the United States of America, Department of Agriculture dated December 2, 1987 and recorded December 2, 1987 in Deed Book 92 at page 750, in the Office of the Clerk of Court for Jasper County, South Carolina; and

2. by quitclaim deed of Henrietta Perry dated June 7, 2001 and recorded June 21, 2001 in Deed Book 238 at page 249 in the Office of the Clerk of Court for Jasper County, South Carolina.

The Mortgage from Rosemelle Shuler to Lexington Capital which MERS/BNC now holds of record is dated May 15, 2006 and was recorded June 20, 2006, in M.R.E. Book 439 at page 138, in the Office of the

Clerk of Court for Jasper County, South Carolina. The mortgage being given many years after Ms. Shuler acquired the property cannot be a purchase money mortgage.

Based on the concerns about ethics and mis-statements of fact, I am sure that the attorney for MERS/BNC will want to correct that misstatement and any other mis-statements pointed out herein which were made in the MERS/BNC Memorandum and notify the Court and all parties of those corrections.

CONCLUSION

Based on the foregoing, the motion of MERS/BNC should be denied and costs taxed to MERS/BNC.

George W. Cone, SC Bar No. 1354
McLeod Fraser & Cone LLC
P O Box 230
111 Washington Street
Walterboro, SC 29488
Attorneys for Plaintiff

July 23, 2015

Walterboro, SC

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	AFFIDAVIT OF JAMES M. BUNTON, JR.
Defendants.	)	

MFC File #34756-12-L

Personally appeared before me the undersigned who being duly sworn and under penalty of purgery deposes and says:

1. My name is James M. Bunton, Jr. and I am a Vice President of Bank of Walterboro; and I have custody of, have reviewed and am familiar with the Bank of Walterboro file on the March 1, 2007 loan to Charles E. Bush aka Charles Bush and Rosemelle M. Shuler.

2. I have examined the bank's file on the March 1, 2007 mortgage loan to Charles E. Bush aka Charles Bush and Rosemelle M. Shuler and find that in connection with that loan the bank was provided a title insurance commitment by Investors Title Insurance Company dated February 28, 2007.

3. Bank policy provides that a loan officer making a loan to be secured by a mortgage require evidence of the status of the

title of the property to be mortgaged to secure the loan prior to making a loan secured by a mortgage; and that the loan officer may request and rely on a title insurance commitment as to the status of the title of the property being mortgaged to secure a loan.

4. A copy of the title insurance commitment received by bank for the purpose of determining the status of the title to the properties in connection with mortgage loan to Charles E. Bush aka Charles Bush and Rosemelle M. Shuler made on or about March 1, 2007 is attached hereto.

James M Bunton Jr.
James M. Bunton, Jr.

Sworn to before me
this 21st day of July, 2015.

Laura N. Nelson (Notary Seal)
Notary Public for South Carolina
My Commission expires: 5-14-2025

TITLE INSURANCE COMMITMENT

Issued by

Investors Title Insurance Company

AGREEMENT TO ISSUE POLICY

We agree to issue policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six (6) months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:
The Provisions in Schedule A.
The Requirements in Schedule B-I.
The Exceptions in Schedule B-II.
The Conditions on Jacket.

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

IN WITNESS WHEREOF, the Company has caused this Commitment to be signed and sealed, to become valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws.

Investors Title Insurance Company

SEAL 1972

Attest:

W. Thomas Jove
President

David A. Brington
Secretary

CONDITIONS

1. DEFINITIONS
(a) "Mortgage" means mortgage, deed of trust or other security instrument.
(b) "Public Records" means title records that give constructive notice of matters affecting your title—according to the state statutes where your land is located.
2. LATER DEFECTS
The Exceptions in Schedule B-Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attach between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B-Section I are met. We shall have no liability to you because of this amendment.
3. EXISTING DEFECTS
If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.
4. LIMITATION OF OUR LIABILITY
Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:
Comply with the Requirements shown in Schedule B - Section I
OR
Eliminate with our written consent any Exceptions shown in Schedule B - Section II. We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.
5. CLAIMS MUST BE BASED ON THIS COMMITMENT
Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this Commitment and is subject to its terms.

TABLE OF CONTENTS

AGREEMENT TO ISSUE POLICY .... .Jacket
SCHEDULE A .....Page 1
1. Commitment Date
2. Policies to be issued, Amounts and Proposed Insureds
3. Interest in the Land and Owner
4. Description of the Land
REQUIREMENTS .....Schedule B-I
EXCEPTIONS.....Schedule B-II
CONDITIONS .....Jacket

MERS000123

Form No. 201-J

Commitment of Title Insurance

C-2007-

Investors Title Insurance Company

P.O. Drawer 2687
Chapel Hill
North Carolina 27515-2687
(919) 968-2200
www.invtitle.com

INFORMATION

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact either the local issuing office or the underwriting Company office shown on this Page.

Investors Title Insurance Company
A Stock Company
P. O .Drawer 2687
Chapel Hill, N.C. 27515-2687

Commitment

File Number: 1088

Commitment Number: C-2007-0364 -1088

Date Issued: February 28, 2007

Effective Date and Time : February 28, 2007 at 9:00 a.m.

1. Policy (Or Policies) to be issued:

(a) ALTA LOAN POLICY Policy Amount:$ 69,302.00

Proposed Insured: Bank of Walterboro
Its Successors and/or Assigns
As Their Interests May Appear

(b) ALTA OWNER'S POLICY Policy Amount: $

2. The estate or interest in the land described or referred to in this commitment and covered herein is fee simple, and title thereto is at the effective date hereof vested in :

Rosemelle M. Shuler - as to PARCEL A
Tracy R. Cleland - as to PARCEL B

3. The land referred to in the Commitment is described in the attached Schedule C.

Authorized Signature

Note: This commitment consist of insert pages labeled as Schedule A, Schedule B-Section 1, and Schedule B - Section 2, and Schedule C. This commitment is of no force and effect unless all Schedules are included, along with any added pages incorporated herein.

SCHEDULE C

PARCEL A

All that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing 1.00 acre, and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480.

Map and Parcel No. 062-00-05-017

PARCEL B

All that certain piece, parcel or lot of land, situate, lying and being in the County of Jasper, State of South Carolina, and being known and designated as Lot B of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R.L.S., which is recorded in Plat Book 12 at Page 453, in the office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of 250.0' feet by Lot C, of said subdivision; on the Northeast for a distance of 120.0' feet by the right-of-way of a paved fifty-foot street; on the Southeast for a distance of 250.0' feet by Lot A of said subdivision; and on the Southwest for a distance of 120.0' feet by lands of F.A. Nimmer.

SUBJECT, to Restrictions and Covenants which are recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Deed Book 68 at Page 211.

Map and Parcel No. 046-32A-03-008

INVESTORS TITLE INSURANCE COMPANY
A STOCK COMPANY
P.O. DRAWER 2687
CHAPEL HILL, NC 27515-2687

Commitment

Schedule B - Section 1

Requirements

The following requirements must be met :

1. Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.

2. Pay us the premium, fees and charges for the policy.

3. Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured, must be signed, delivered and recorded. After above documents have been recorded, title will be vested in Rosemelle M. Shuler as to PARCEL A and Rosemelle M. Shuler and Charles Bush as to PARCEL B.

A Deed from Tracy R. Cleland to Rosemelle Shuler and Charles Bush as to PARCEL B.

A Mortgage from Rosemelle Shuler to the Bank of Walterboro to secure your loan in the amount of $69,302.00 as to PARCEL A.

A Mortgage from Rosemelle Shuler and Charles Bush to the Bank of Walterboro to secure your loan in the amount of $69,302.00 as to PARCEL B.

4. The following must be paid, satisfied and canceled of record:

None

Note: This commitment consists of insert pages labeled as Schedule A, Schedule B-Section 1and Schedule B- Section 2, and Schedule 2, and Schedule C. This commitment is of no force and effect unless all schedules are included, along with ant added pages incorporated herein.

Investors Title Insurance Company
A stock Company
P.O. Box Drawer
Chapel Hill, NC 27515-2687
Commitment

Schedule B - Section 2

Exceptions

Any Policy we issue will have the following exceptions unless they are taken care of to our satisfaction:

1. Mortgage Book 310 at Page 146, a mortgage from Rosemelle Shuler to The CIT Group/Consumer Finance, Inc. recorded December 29, 2003, in the office of the Clerk of Court for Jasper County, South Carolina, as to PARCEL A.

2. Taxes and assessments for 2007 and subsequent years, a lien but not yet due and payable.

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	AFFIDAVIT OF LINDA C. JORDAN
Defendants.	)	

MFC File #34756-12-L

Personally appeared before me the undersigned, who being duly sworn under penalty of perjury, deposes and says:

1. That my name is Linda C. Jordan and I am a legal assistant employed by the law firm of McLeod Fraser and Cone, LLC;

2. At the request of George W. Cone, I obtained from Advantage Title an abstract of the title to the property owned jointly by Charles E. Bush aka Charles Bush and Rosemelle M. Shuler and the property owned solely by Rosemelle M. Shuler which properties were to be subject to this foreclosure action.

3. A copy of the abstract of title of the property owned solely by Rosemelle M. Shuler described in the Mortgage from Charles E. Bush aka Charles Bush and Rosemelle M. Shuler to Bank of Walterboro dated March 1, 2007 and recorded on October 29, 2007, in

Deed/Mortgage Book 0602 at Page 77 in the Office of the Clerk of Court for Jasper County, South Carolina is attached hereto as Exhibit A.

4. The file on this matter at the law offices contains the following information:

Pleading	dated	mailed/received by MERS
Summons & Complaint	5/10/13	mailed 5/23/13 received 5/28/13
Affidavit of Default	11/27/13	
Order of Default & Reference	9/5/13	
Notice of Hearing	9/16/14	received 9/19/14
Service of N of H	9/16/14	received 9/19/14
Notice of Re-Scheduled Hearing	10/15/14	received 10/23/14
Service of R-S N of H	10/15/14	received 10/23/14
Notice of Status Conference	4/23/15	
Notice of Hearing	5/6/15	mailed 5/6/15 received 5/11/15
Cert of mailing	5/6/15	mailed 5/6/15 received 5/11/15
Hearing held	5/20/15	
Sp Ref Decree and Notice of Sale	5/20/15	mailed 5/22/15 received 5/27/15
Publication Notice of Sale	6/18/15; 6/25/15; 7/2/15	

5. The file on this matter at the law offices contains the following information:

Contacts with individuals said to be personnel and/or representatives of MERS May 19,

2015 through July 7, 2015.:

5/19/15	2:40 PM	call from Loan Servicing (Lucita) 1-800-280-3863 ext. 64953
5/19/15	3:43 PM	GWC called 1-800-280-3863 ext 64953 no answer at ext
5/19/15	6:02 PM	email to Linda Jordan from Lucita Sanasam
5/20/15	10:45 AM	Linda Jordan forwarded email to GWC
5/20/15	11:06 AM	GWC emailed Lucita Sanasam and advised her: MERS "should seek advice of counsel at once."
5/20/15	11:07 AM	Lucita Sansam received email from GWC
6/5/15	2:30 PM	call from Lee Lott at (601) 351-2464 - left message
6/8/15	2:32 PM	GWC called Lee Lott's phone number and spoke with Linda - she said she would have him call me
6/16/15	11:52 AM	called Lee Lott - he would have Sean O'Connor, Atty. is their SC atty
7/7/15	2:08 PM	call from Sean O'Connor he left message

Copies of the emails and notes from which this information was compiled are attached hereto as Exhibit B.

6. The sum of Nine Hundred Sixty-two and 00/100 Dollars ($962.00) has been paid by McLeod Fraser & Cone LLC to the Jasper Sun Times on behalf of Bank of Walterboro for publication of the Notice of Sale in this matter.

Linda C. Jordan

Sworn to before me this
21st day of July, 2015.

(Notary Seal)

Notary Public for South Carolina
My Commission Expires: 6/7/16

EXHIBIT

ADVANTAGE TITLE

PROPERTY ± 1 Acre Bounded NW and NE by Ferguson, et al, SE by Street and SW by Hwy 5-175, Jasper County

VESTED: Rosemelle M. Shuler

PROPOSED GRANTEE: None given

DERIVED: DB 92/750 238/249 DTD 11/6/87 6/7/01 RCD 12/2/87 6/21/01

**********PROPERTY SUBJECT TO THE FOLLOWING: MATTERS OF SURVEY,**********
**********AND ANY UNPAID LIENS OR ASSESSMENTS NOT OF RECORD**********

MORTGAGE INFORMATION

FIRST:
MORTGAGOR: Same as vested
MORTGAGEE: First Family Financial Services of Georgia, Inc.
MB/PG 148/112 DTD 3/27/98 RCD 4/3/98 $ 19221.51 BLKT: YES/NO
ASSIGN _____ MB/PG _____ RCD _____
OTHER _____

SECOND:
MORTGAGOR: Same as vested
MORTGAGEE: Equi First Corporation
MB/PG 213/1 DTD 6/15/01 RCD 6/21/01 $ 66150.00 BLKT: YES/NO
ASSIGN _____ MB/PG _____ RCD _____
OTHER _____

THIRD:
MORTGAGOR: Same as vested
MORTGAGEE: Lexington Capital
MB/PG 439/138 DTD 5/15/06 RCD 6/20/06 $ 102800.00 BLKT: YES/NO
ASSIGN BNC Mortgage, Inc. MB/PG 577/226 RCD 8/13/07
OTHER 2nd Assign: Mortgage Electronic Registration Systems Inc. 577/228 8/13/07

OTHER LIENS AND ENCUMBRANCES: **2003 taxes, a lien not yet due & payable** **Please take exception to accuracy and reliability of Clerk of Court Index, per Exclusion Number 1, of 4/17/06**

✓ ⊛ See comments ⊛
⊛ 4 mortgages - see attached for 4th mortgage. ⊛

± 1 Acre, Jasper County
062-00-05-017
Shuler

4th mortgage

mtgor: Rosemelle M. Shuler & Charles Bush
mtgee: Bank of Walterboro
MB/PG: 602/77 DTD: 3/1/07 RCD: 10/29/07 $69302.00 Blkt (Yes.)

OVER TO
NEXT PAGE

PLATS: 16/480, 16/59

EASEMENTS:

RESTRICTIONS: None

REPURCHASE RIGHTS:

ASSESSMENTS:

BUILDING RESTRICTIONS:

$$ TAX INFO $$

TAXPAYER: ~~(SAME AS SEARCH)~~ Rosemelle M. Shuler ⊛See Comments⊛

PROPERTY: (SAME AS SEARCH) SPASMT

DISTRICT: MAP: 062-00 PARCEL: 05-017 BLOCK: ALT ID:

2012 MARKET VALUE 71,600 TAXABLE VALUE 71,600 EXEMS RATIO 4% 6%

LAND 9,500 BLDG 62,100 OTHER ASSESSED VALUE 2,860

2012 TAX AMT $ 132.01 (PD) ~~DUE / DELINQUENT~~

PROPERTY RENTAL TAXES: Advantage Title accepts no liability for taxes relating to personal property. Any information provided is without warranty. PIN

2012 PR TAX AMT $ PD / DUE / DELINQUENT

DELINQUENT TAXES

COMMENTS: Please take exception to any right, title or interest of Dennis Mungin Hughes a/k/a Hughe. He derives his interest from DB 82/1449 and there is NO outconveyance.

⊛ QTA at 9/4132 is applicable ⊛

↑ Quiet Title Action

TITLE RESEARCHED BY: B. E. Flowers DATE: 1/22/13

UNDER THE DIRECT SUPERVISION OF George Cone, SC ATTORNEY AT LAW

*** This search covers the period from 1/8/53 to 1/8/53 ***

"ADVANTAGE TITLE ACCEPTS NO LIABILITY FOR SERVICES RENDERED IF PAYMENT IS NOT TENDERED PROMPTLY. THE INFORMATION PROVIDED HEREIN IS DERIVED FROM THE PUBLIC RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS SITUATE. THIS INFORMATION IS AN ABSTRACT OF TITLE AND SHOULD NOT BE CONSIDERED AN OPINION OF TITLE IN ANY MANNER ***

MERS000133

:: Jasper County, SC ::

Tax Search View and Pay

Home >> Treasurer >> Tax Search View and Pay

SHULER ROSEMELLE M
RIDGELAND, SC 299360000

Record Type: Property
Receipt No.: 017501-12-3
Tax Year: 2012

Search For Additional Records

Base Amount: $1,006.72
Net Taxes: $132.01
Penalties: $0.00
Balance Due: $0.00

Payment Status: Paid
Paid Date: 12/31/2012
Paid Amount: $132.01

Penalty Date	Amount Due
January 16	3%
Feburary 2	10%
March 17	15%

Map No.: 062-00 -05-017
District: 01
Assessed Value: 0
Fair Market Value: 71,600

Description: 1519 TAYLOR MILL RD

©2013 Jasper County Government
www.jaspercountysc.org

INSTRUMENT TYPE: DEED

DTD 6/7/01 RCD 6/21/01 — Henrietta Perry

RCD IN DB/PG 238/249

HABENDUM H&A WARRANTY NONE

CONSIDERATION $5.00 — '01 TO PRES

PROPERLY EXECUTED? YES ~~SEE COMMENTS~~

RESTR REF'D

Rosemelle M. Shuler

PROPERTY: 1ac; Bounded by: NE 114.50' lands of Margaret Furguson, Sarah Johnson, and Mary Hugh; SE ~~Bern~~ 387.47' by a (50') street; SW 114.50' Right of Way SC Hwy S-175; PB: —

INS: ~~I C B O~~ and NW 387.47' other lands of Margaret Furguson et al.

OUTS: ~~I C B O~~

MTGS: ~~I C B O~~ 76/204 (S) 20/113 182/108 (S) 244/286 128/314 (S) 215/65 148/112 213/1

JDGS: — 221/288 (S) 34/7 348/146 (S) 460/137 439/138 A 577/226 A 577/228 602/77

T/L: 72/105 (S) 690/186

M/L:

L/P: —

UCC:

PLATS: 16/480? PROB: DERIVED: 92/750

INSTRUMENT TYPE: DEED

DTD 11/6/87 RCD 12/2/87 — R.E. Pittman, State Director, FHA, USDA

RCD IN DB/PG 92/750

HABENDUM H&A WARRANTY NONE

CONSIDERATION 23,000 — '87 TO '01

PROPERLY EXECUTED? YES ~~SEE COMMENTS~~

RESTR REF'D

Rosemelle M. Shuler

PROPERTY: Same as Above

PB: 16/480

INS: ~~I C B O~~

OUTS: ~~I C B O~~

MTGS: ~~I C B O~~

JDGS: —

T/L:

M/L:

L/P: —

UCC:

PLATS: DERIVED: 91/1989

PROPOSED GRANTEE T/I IMTS Pg. 1

INSTRUMENT TYPE: DEED

DTD _____ RCD _____

RCD IN DB/PG _____

HABENDUM _____ WARRANTY _____

CONSIDERATION _____

PROPERLY EXECUTED? YES/SEE COMMENTS

RESTR REF'D _____

_____

_____ TO _____

PROPERTY: _____

_____ PB: _____

INS: I C B O

OUTS: I C B O

MTGS: I C B O

JDGS: _____

T/L: _____

M/L: _____

L/P: _____

UCC: _____

PLATS: _____ PROB: _____ DERIVED: _____

INSTRUMENT TYPE: DEED

DTD 7/16/87 RCD 7/21/87

RCD IN DB/PG 91/1787

HABENDUM S?A WARRANTY Gen

CONSIDERATION $1 love

PROPERLY EXECUTED? YES/SEE COMMENTS

RESTR REF'D _____

_____

Joanne L. Tracy

_____ TO _____

United States of America, Administrator,
Farmers Home Administration

PROPERTY: Same

_____ PB: _____

INS: I C B O

OUTS: I C B O 92/750

MTGS: I C B O 92/7880

JDGS: _____

T/L: _____

M/L: _____

L/P: _____

UCC: _____

PLATS: _____ DERIVED: _____

PROPOSED GRANTEE _____ T/L _____ JMTS _____

INSTRUMENT TYPE: DEED

DTD _____ RCD 7/11/83

RCD IN DB/PG 85/2151

HABENDUM _____ WARRANTY _____

CONSIDERATION _____

PROPERLY EXECUTED? YES/SEE COMMENTS

RESTR REF'D _____

Margaret Ferguson, Sarah Johnson
Mary Hughes

83 TO 87

Joanne L. Tracy

PROPERTY: _____

PB: _____

INS: ~~I C B O~~

OUTS: ~~I C B O~~ 91/1787

MTGS: ~~I C B O~~ 67/1966 7/1753

JDGS: _____

T/L: _____

M/L: _____

L/P: _____

UCC: _____

PLATS: _____ PROB: _____ DERIVED: _____

INSTRUMENT TYPE: DEED ↙

DTD 12/18/80 RCD 12/23/80

RCD IN DB/PG 82/1449

HABENDUM N/A WARRANTY None

CONSIDERATION order of court

PROPERLY EXECUTED? YES ~~SEE COMMENTS~~

RESTR REF'D _____

Mary Corpening Clerk of Court

80 TO 83

Margaret Ferguson, Sarah Johnson, Mary Hughes
Henrietta Percy, Dennis Munsin Hughes

PROPERTY: 7.3 Acres

PB: 16/55

INS: ~~I C B O~~ (16/480) (17/21)

OUTS: ~~I C B O~~ 83/2151 86/517

MTGS: ~~I C B O~~

JDGS: _____

T/L: _____

M/L: _____

L/P: _____

UCC: _____

PLATS: _____ DERIVED: _____

PROPOSED GRANTEE T/L IMTS

80-15

STATE OF SOUTH CAROLINA)
) IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER)

9-4132

MARGARET FERGUSON, SARAH JOHNSON, MARY HUGUE AND HENRIETTA PERRY,

PETITIONERS

-VS-

THE HEIRS AT LAW AND DISTRIBUTEES OF POMPIE KING, and also all persons entitled to claim under, by or through the above listed person; and also all other persons unknown claiming any right, title, estate, interest or lien upon the real estate described in the complaint herein, and any adults being as a class designated JOHN DOE and any unknown infants, or persons under disability, or prsons in the Military Service designated as a class MARY ROE and any other persons having any right, title, interest or lien upon the property that is described herein,

RESPONDENTS

ORDER

This matter comes before me upon the Summons and Petition of the above named Petitioners, praying that the rights of the parties be protected and that fee simple title to the property involved in this action be declared vested in the Petitioners and Dennis Mungin Hugue free and clear of any and all right, title and interest and estates or claims of the unknown Respondents, and any and all persons whomsoever; that the unknown Respondents be barred from any and all right, title and interest, estates and claims which they have or may have in and to the property described in the Petition.

This matter was heard before the Honorable J. N. Malphrus, Special Referee, on the 15th day of September, A. D., 1980, and his report is approved and made a part of this Order.

It appears that the interest of any minors, persons under disability, or persons in the Military Service have been properly protected and that service has been had on all parties according to law.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

1. That the Report of the Special Referee be, and the same is

- ... Order

2. That the Clerk of Court for Jasper County is hereby directed to issue a Court Order deed to the Petitioners and Dennis Mungin Hugue for their respective interest in this tract of land as set out in the Report of the Special Referee. 9. 4132

3. That the Petitioners and Dennis Mungin Hugue be and are hereby declared the owners and holders of the property described in the Petition, free and clear of any and all right, title and interest or claims of any and all persons whomsoever.

4. That the costs of this action, including a Fifteen Hundred ($1,500.00) Dollar attorney fee, Special Referee Fee of Fifty ($50.00) Dollars, Guardian ad Litem fee of Fifteen ($15.00) Dollars; Stenographer Fee of Twenty Five ($25.00) Dollars, and all other related costs are hereby deemed to be a lien upon this real estate.

AND IT IS SO ORDERED.

Dated at Ridgeland, South Carolina, this the 17th day of December, A. D., 1980.

PRESIDING JUDGE
Fourteenth Judicial Circuit

FILED
DEC 9
JASPER CO. S.C.

E 4132
C.P. 12417

MERS000139

Borrower's Case Number
46-27-248868551

This Deed prepared by: USDA, FARMERS HOME ADMINISTRATION
PO BOX 728
RIDGELAND, SC 29936

92-2150 W

Position 5

Form FmHA-SC 465-12
(Rev. 8-15-83)

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION

QUITCLAIM DEED

STATE OF SOUTH CAROLINA }
}
COUNTY OF JASPER }

KNOW ALL MEN BY THESE PRESENTS: I, R. B. PITTMAN

THAT the United States of America, for and in consideration of the sum of

TWENTY THREE THOUSAND AND NO/100 ---------- Dollars, ($ 23,000.00),

the receipt whereof is hereby acknowledged, does hereby remise, release, quitclaim and convey unto

ROSEMELLE N. SHULER - RT. 1 Box 73, Ridgeland, S.C. 29936

all its right, title, claim, interest, equity and estate in and to the following described lands lying in the County of JASPER, State of South Carolina, to wit:

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina containing 1.000 acre and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a fifty (50') foot Street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Highway S-175, and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

"For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S., dated May 2, 1983 and recorded in the Office of the Clerk of Court for Jasper County, South Carolina in Plat Book 16 at Page 480."

MERS000140

92-751

This is the identical property conveyed to the United States of America by deed of .....

JoAnne L. Tracy, which deed is recorded in Deed Book 91

at Page 1787 in the Office of the Clerk of Court for Jasper County.

Subject, however, to all easements and rights-of-way upon, across or through the above-described lands as heretofore have been granted by the United States of America or its predecessors in title.

TO HAVE AND TO HOLD the same in fee simple unto the said grantee ---, and HER heirs and assigns forever.

IN TESTIMONY WHEREOF, the United States of America has caused these presents to be executed this 6th day of November, 19 87, pursuant to the authority contained in Title 7, Code of Federal Regulations, Part 1800.

Signed, sealed and delivered in the Presence of

Peggy O. Elkins

Catherine Larson Laube

UNITED STATES OF AMERICA

By R. E. PITTMAN

State Director (South Carolina)
Farmers Home Administration
UNITED STATES DEPARTMENT OF AGRICULTURE

MERS000141

99-432

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

BEFORE ME, Catherine Lawson Laube, a Notary Public in and for said State and County, personally appeared Peggy J. Elkins and made oath that s he saw the within named R. E. PITTMAN State Director of the Farmers Home Administration, United States Department of Agriculture, sign, seal, and as his act and deed, deliver the within instrument for the uses and purposes therein mentioned, and as such State Director of the Farmers Home Administration, United States Department of Agriculture, on behalf of the Government, and that s he with Catherine Lawson Laube witnessed the execution thereof and subscribed

The within instrument was transferred this 4 day of Dec 19 87 at 10:00 o'clock A M., and recorded in Transfer Book 3 Page 514 in Assessor's Office. Tax Map No. 09-06-05-011 Transfer No. 87-22-111

Peggy J. Elkins

SWORN to before me this 6th day of November 19 87

Catherine Lawson Laube (SEAL)
Notary Public for South Carolina.
My commission expires January 19, 1993

FILED
DATE 12-4-87
BOOK 92 PAGE 511
Register of Deeds
RICHLAND COUNTY, S. C.

MERS000142

200100026377
Filed for Record in
JASPER COUNTY
MARGARET BOSTICK
06-21-2001 At 04:23 pm.
QUIT CLAIM 10.00
Volume 238 Page 249 - 252

Instrument Volume Page
200100026377 238 249

STATE OF SOUTH CAROLINA)
) QUIT CLAIM DEED
COUNTY OF JASPER)

KNOW ALL MEN BY THESE PRESENTS, THAT, HENRIETTA PERRY in the State aforesaid; for and in consideration of the sum of Five Dollars ($5.00) and no/100 to her in hand paid at and before the sealing of these presents by ROSEMELLE M. SHULER, ROUTE 1, BOX 73, PINELAND, SC 29934, the receipt of whereof is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell, and release unto the said ROSEMELLE M. SHULER, Her Heirs and Assigns, Forever, in fee simple, all my interest in the following described property, to-wit:

SEE EXHIBIT A ATTACHED

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

WITNESS my hand and seal this 7th day of June, in the year of our Lord two thousand and one and in the two hundred and twenty-fifth year of the Sovereignty of the United States of America.

Signed, Sealed and Delivered
in the Presence of:

HENRIETTA PERRY

Instrument Volume Page
200100026377 238 250

EXHIBIT A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baugiman, R.L.S., dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina.

This is that same property which was conveyed to Rosemelle M. Shuler by deed recorded December 2, 1987, recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

The within instrument has been transferred
this 27 day of June 20 01 at
10:10 o'clock A M., and recorded
In Transfer Book 3 Page 343
in Assessor's Office. Tax Map No. 068-00-05.017
Transfer No. 01-27-532
Jean M. Pelletier
JASPER COUNTY, S.C.

Instrument Volume Page
200100025377 238 251

STATE OF SC)
COUNTY OF Orangeburg)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within-named Grantor sign seal and as its Act and Deed, deliver the within-written Deed, and that the undersigned with the other witness signed above witnessed the execution thereof.

Notary Public for SC
My Commission Expires: 3-25-2004

Instrument Volume Page
2001006377 238 252

STATE OF SOUTH CAROLINA
COUNTY OF JASPER

AFFIDAVIT OF CONSIDERATION

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says

The Property located at Ridgeland, bearing Jasper County Tax Map Number 067.00-05-07 was transferred by Dianetta Perry to Lucille M. Rhodes on 6-7-01

The transaction was (check one)

____an arm's length real property transaction and the sales price paid or to be paid in money or money's worth was $_____.

X not an arms's length real property transaction and the fair market value of the property is $ 106,150.00.

The above transaction is exempt, or partially exempt, from the recording fee as set forth in SC Code Ann Section 12-24-10 et seq. Because the deed is (See back of Affidavit)

As required by Section 12-24-70, I state that I am a responsible person who was connected with the transactions as _____

I further understand that a person required to furnish this affidavit who wilfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more that one thousand dollars or imprisoned not more than one year, or both

Purchaser, Legal Representative of the Purchaser Or other Responsible Person Connected with the Transaction

SWORN to before me this 7th day of June 20 01

Notary Public for SC
MY Commission Expires 1/31/2007

DEED BOOK 238 PAGE 254
DATE 6-26-01
AUDITOR JASPER COUNTY SC

*The fair is based on the real property's value. Value means the realty's fair market value. In arms length real property transactions, this value is the sales price to be paid in money or money's worth (e.g. stocks, personal property, other realty, forgiveness of debt, mortgages, assumed or placed on the realty as a result of the transaction). However, a deduction is allowed from this value for the amount of any lien or encumbrance existing on land, tenement, or realty before the transfer

200100026377
Filed For Record in
JASPER COUNTY
MARGARET BOBTICK
06-21-2001 At 04:23 pm.
QUIT CLAIM 10.00
Volume 238 Page 249 - 252

Instrument Volume Page
200100026377 238 249

STATE OF SOUTH CAROLINA)
) QUIT CLAIM DEED
COUNTY OF JASPER)

KNOW ALL MEN BY THESE PRESENTS, THAT, HENRIETTA PERRY in the State aforesaid, for and in consideration of the sum of Five Dollars ($5.00) and no/100 to her in hand paid at and before the sealing of these presents by ROSEMELLE M. SHULER, ROUTE 1, BOX 73, PINELAND, SC 29934, the receipt of whereof is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell, and release unto the said ROSEMELLE M. SHULER, Her Heirs and Assigns, Forever, in fee simple, all my interest in the following described property, to-wit:

SEE EXHIBIT A ATTACHED

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

WITNESS my hand and seal this 7th day of June, in the year of our Lord two thousand and one and in the two hundred and twenty-fifth year of the Sovereignty of the United States of America

Signed, Sealed and Delivered
in the Presence of:

HENRIETTA PERRY

EXHIBIT A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S., dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina.

This is that same property which was conveyed to Rosemelle M. Shuler by deed recorded December 2, 1987, recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

The within instrument has been transferred
this 27 day of June 2001 at
10:10 o'clock A M., and recorded
In Transfer Book 3 Page 393
in Assessor's Office. Tax Map No. 063-00-05-017
Transfer No. 01-27-532
Grace N. Pelletier
JASPER COUNTY, S.C.

Instrument Volume Page
2001062377 234 251

STATE OF SC)
)
COUNTY OF Horry)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within-named Grantor sign, seal and as its Act and Deed, deliver the within-written Deed, and that the undersigned with the other witness signed above witnessed the execution thereof.

Notary Public for SC
My Commission Expires: 3.25.2004

Instrument Volume Page
2001000026377 238 252

STATE OF SOUTH CAROLINA
COUNTY OF JASPER

AFFIDAVIT OF CONSIDERATION

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says

The Property located at Coosawhatchie, bearing Jasper County Tax Map Number 062-00-05-017 was transferred by Henrietta Perry to Rosemelle M. Chisholm on 10-9-01

The transaction was (check one)

____an arm's length real property transaction and the sales price paid or to be paid in money or money's worth was $_____.

X that an arms's length real property transaction and the fair market value of the property is $ 16,150.00.

The above transaction is exempt, or partially exempt, from the recording fee as set forth in SC Code Ann Section 12-24-10 et seq. Because the deed is (See back of Affidavit)

As required by Section 12-24-70. I state that I am a responsible person who was connected with the transactions as _____

I further understand that a person required to furnish this affidavit who wilfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more that one thousand dollars or imprisoned not more than one year, or both

Purchaser, Legal Representative of the Purchaser Or other Responsible Person Connected with the Transaction

SWORN to before me this 9th day of Oct 20 01

Notary Public for SC
MY Commission Expires 7/31/2007

DEED BOOK 238 PAGE 254
DATE 10-26-01
AUDITOR JASPER COUNTY SC

*The fee is based on the real property's value. Value means the realty's fair market value. In arms length real property transactions, such value is the sales price to be paid in money or money's worth for realty, fixtures, personal property, other realty, forgiveness of debt, mortgages, assumed or placed on the realty as a result of the transaction. However, a deduction is allowed from this value for the amount of any lien or encumbrance existing on land, tenement, or realty before the transfer

200100026378
Filed For Record in
JASPER COUNTY
MARGARET BUSTICH
06-21-2001 At 04:23 PM.
MORTGAGE 27.00
Volume 213 Page 1 - 21

Instrument Volume Page
200100026378 213 1

Return To:
Equifirst Corporation
Attn: Collateral Mgmt.
830 Forest Point Circle
Charlotte, NC 28273

Prepared By:
Tracey George
830 Forest Point Circle
Charlotte, NC 28273

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated June 15, 2001, together with all Riders to this document.
(B) "Borrower" is Rosamalia M. Shular.

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is Equifirst Corporation.

Lender is a Corporation
organized and existing under the laws of North Carolina.

MERS000151

Lender's address is 830 Forest Point Circle, Charlotte, NC 28273

Lender is the mortgagee under this Security Instrument.
(D) "Note" means the promissory note signed by Borrower and dated June 15, 2001
The Note states that Borrower owes Lender sixty-six thousand one hundred fifty and 00/100 Dollars
(U.S. $ 66,150.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than June 20, 2031
(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☒ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☐ Balloon Rider	☐ Planned Unit Development Rider	☐ 1-4 Family Rider
☐ VA Rider	☐ Biweekly Payment Rider	☒ Other(s) [specify] Arbitration Rider ARM Floor Rider

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions
(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers
(K) "Escrow Items" means those items that are described in Section 3.
(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

MERS000152

(F) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, the following described property located in the

County of Beaufort
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

See Attached Exhibit A

Parcel ID Number: 062-00-05-017 which currently has the address of
[Street]
Route 2, Box 25 Taylor Hill Road
Ridgeland (Cot , South Carolina 29936 [Zip Code]
("Property Address"):

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this

96130

MERS000153

Exhibit A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1 000 acre and being bounded and described as follows: On the Northeast for a distance of 114 50' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance of 337.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114 50' feet by the right-of-way of S C Hwy S-175, and on the Northwest for a distance of 337.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue

For a more particular description, reference is asked to that Plat prepared by Forrest F Baughman, R L S , dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina

This is that same property which was conveyed to Rosemelle M Shuler by deed recorded December 2 1987, recorded in Deed Book [illegible] at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

Jasper County Tax Map No.: 062-00-05-017

This Mortgage was prepared by the Law Office of David L. Tedder, P.A., Post Office Box 2019, Ridgeland, S.C. 29936.

Instrument Volume Page
288100026378 213 15

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.

Signed, sealed and delivered in the presence of:

Rogamelia M. Bhuler (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

94190

MERS000155

Instrument Volume Page
20081002637B 213 16

STATE OF SOUTH CAROLINA,
County of

Personally appeared before me
and made oath that he/she saw the within named Borrower sign, seal, and as his/her/their act and deed, deliver the within written Mortgage; and that he/she with
witnessed the execution thereof.

Sworn to before me this 15th day of June 2007

My Commission Expires: 1/21/2008.

Notary Public for South Carolina

94150

8/6CI (0008).

Page 13 of 13

Initials: _____ Form 3044 1/01

Return To:

LEXINGTON CAPITAL
3 IMPERIAL PROMENADE #100
SANTA ANA, CA 92707

2006000025957
Filed For Record In
JASPER COUNTY
PATSYE C GREENE
06-20-2006 At 03:43 pm.
MORTGAGE 24.00
OR Volume 459 Page 138 - 152

Prepared By:

[Space Above This Line For Recording Data]

MORTGAGE

Loan No.: CORNPB1883

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated May 15, 2006 together with all Riders to this document
(B) "Borrower" is ROSEMELLE SHULER.

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is LEXINGTON CAPITAL

Lender is a CORPORATION
organized and existing under the laws of CALIFORNIA

2006000025957
MCCLELLEY

Lender's address is 3 IMPERIAL PROMENADE #100, SANTA ANA, CA 92707

Lender is the mortgagee under this Security Instrument.
(D) "Note" means the promissory note signed by Borrower and dated May 15, 2006
The Note states that Borrower owes Lender one hundred two thousand eight hundred and 00/100 Dollars
(U.S. $102,800.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than June 1, 2036 .
(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☒ Balloon Rider	☐ Planned Unit Development Rider	☐ 1-4 Family Rider
☐ VA Rider	☐ Biweekly Payment Rider	☐ Other(s) [specify]

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
(K) "Escrow Items" means those items that are described in Section 3.
(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

MERS000158

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, the following described property located in the

COUNTY of JASPER, SOUTH CAROLINA
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERETO AS EXHIBIT A.

Parcel ID Number:
1519 TAYLOR MILL RD
RIDGELAND
("Property Address"):

which currently has the address of [Street]
[City], South Carolina 29936 [Zip Code]

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this

MERS000159

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.

Signed, sealed and delivered in the presence of:

Debbie Griffin

Rosemelie Shuler (Seal)
ROSEMELIE SHULER -Borrower

Tyra Hope

_____ (Seal)
-Borrower

_____ (Seal)
Borrower

_____ (Seal)
-Borrower

_____ (Seal)
Borrower

_____ (Seal)
-Borrower

_____ (Seal)
Borrower

_____ (Seal)
-Borrower

MERS000160

Instrument Volume Page
2006000002957 DR 439 152

STATE OF SOUTH CAROLINA
County of Jasper

Personally appeared before me Teresa Hope and made oath that he/she saw the within named Borrower sign, seal, and as his/her/their act and deed, deliver the within written Mortgage; and that he/she with Gillie Kyle witnessed the execution thereof.

Teresa Hope

Sworn to before me this 15 day of May 2006

My Commission Expires: 3/20/2013

Gillie Kyle
Notary Public for South Carolina

MERS000161

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

This is that same property which was conveyed to Rosenelle M. Shuler by deed recorded in Deed Book 92 at Page 750 on December 2, 1987, and Deed Book 238 at Page 249 on June 21, 2001, in the office of the Clerk of Court for Jasper County, South Carolina.

Map and Parcel No. 062-00-05-017

Recording Requested By:
BNC Mortgage, Inc.
When Recorded, Return To:
BNC Mortgage, Inc., Attn: H. Martinez
1901 Main St., #150, Irvine, CA 92614

200700004832 08/13/2007 AT 12:14 PM
OR Volume 0577 Page 0226 - 0227
Filed for Record in JASPER COUNTY
Assignment Fee: $7.00

Order No.
Escrow No.
Loan No. CORNPD1883

SPACE ABOVE THIS LINE FOR RECORDERS USE

Assignment of Mortgage

FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to

BNC MORTGAGE, INC.
1901 MAIN ST., IRVINE, CA 92614

all of the undersigned's right, title and interest in, to and under that certain Mortgage dated May 15, 2006
executed by ROSEMELLE SHULER, as mortgagor,

to LEXINGTON CAPITAL, as mortgagee,
whose mailing address is P.O. BOX 19656
IRVINE, CALIFORNIA 92623-9656

and recorded either
☐ concurrently herewith, or **200600012957
☒ as Instrument No 200600257 on 06/20/06 in book 459 page 138
in the official records of JASPER 05 County, State of South Carolina, describing land therein as:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT A.

TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Mortgage.

STATE OF CALIFORNIA SS.
COUNTY OF ORANGE

On June 22, 2007 before me,

personally appeared Xehi Polymeropoulos

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

WITNESS my hand and official seal

Signature Elizabeth P. R. Butterick

ELIZABETH P. R. BUTTERICK
COMM. #1733434
NOTARY PUBLIC-CALIFORNIA
Orange County
Comm. Expires Mar 24, 2011

LEXINGTON CAPITAL

XEHI POLYMEROPOULOS
(SEAL)

Witness

Witness

SOUTH CAROLINA (REV. 01/01)

MERS000163

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480.

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

Recording Requested By:
BNC Mortgage, Inc.
When Recorded, Return To:
BNC Mortgage, Inc., Attn: D. Martinez
1901 Main St., #150, Irvine, CA 92614

200700004833 08/13/2007 AT 12:14 PM
OR Volume 0577 Page 0228 - 0229
Filed for Record in JASPER COUNTY
Assignment Fee: $7.00

Order No.
Escrow No.
Loan No. CORNP81883

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assignment of Mortgage

FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ITS SUCCESSORS AND ASSIGNS AS NOMINEE FOR BNC MORTGAGE, INC., ITS SUCCESSORS AND ASSIGNS, P.O. BOX 2026, FLINT, MI 48501

all of the undersigned's right, title and interest in, to and under that certain Mortgage dated May 15, 2006 executed by ROSEMELLE SHULER, as mortgagor,

to LEXINGTON CAPITAL, as mortgagee,
whose mailing address is P.O. BOX 19656
IRVINE, CALIFORNIA 92623-9656

and recorded either
☐ concurrently herewith; or
☒ as Instrument No. 200600002957 on 06/20/2006 in book 439 , page 128 ,
in the official records of JASPER County, State of South Carolina, describing land therein as:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT A.

TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Mortgage.

STATE OF CALIFORNIA SS.
COUNTY OF ORANGE

On June 25, 2007 before me,
Dolores Martinez, Notary Public
personally appeared Jamie Langford

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

WITNESS my hand and official seal.

Signature

DOLORES MARTINEZ
COMM. # 1456385
NOTARY PUBLIC • CALIFORNIA
ORANGE COUNTY
Comm. Exp. DEC. 15, 2007

BNC Mortgage, Inc., A Delaware Corporation

Jamie Langford
Vice President

Witness

Witness

SOUTH CAROLINA (REV 01/01)

SCASSIGN

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

200300038216
Filed for Record in
JASPER COUNTY
2003
12-29-2003 At 03:36 pm.
MORTGAGE 10.00
Volume 310 Page 146 - 149

REAL ESTATE MORTGAGE

CIT

Name and Address of Mortgagor(s)	Lender:
MARRIED ROSEMELLE SHULER 1519 TAYLOR MILL RD RIDGELAND, SC 29936	THE CIT GROUP/CONSUMER FINANCE, INC. 6000 FALLS OF NEUSE ROAD SUITE 405-5090 N. PARK BLD. RALEIGH, NC 27609
MIN: 100431955804136055	Mortgagee: MERS P.O. Box 2026 Flint, MI 48501-2026

Loan Number	Date	Date First Payment Due	Principal Balance
55804136055	12/19/2003	12/24/33	85,350.00

This loan is secured by a Mortgage on the real property located at:
1519 TAYLOR MILL RD, RIDGELAND, SC 29936

The words "I," "me" and "my" refer to all Mortgagors indebted on the Note secured by this Mortgage. The words "you" and "your" refer to Lender and Lender's assignee if this Mortgage is assigned. MERS refers to Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the mortgagee under this Mortgage. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, Tel. (888) 679-MERS.

MORTGAGE OF REAL ESTATE

To secure payment of (i) a Note I signed today promising to pay you the Principal Balance as shown above together with interest at the rate in effect from time to time as provided in the Note secured by this Mortgage, which Note has a maturity date of 12/24/33, and all modifications, renewal and extensions thereof, (b) all amounts advanced by you under this Mortgage to protect the security of this Mortgage, and (c) all future advances made under this Mortgage up to one hundred fifty percent (150%) of the original principal balance of the Note plus interest thereon, each of the persons signing this Mortgage mortgages, grants, conveys and confirms to MERS and its successors and assigns (solely as nominee for Lender and Lender's successors and assigns), the real estate described below, and all present and future improvements on the real estate and all easements, rights, appurtenances and rents, which is located in South Carolina, County of JASPER (the "Premises"). Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Mortgage, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Premises; and to take any action required of Lender including, but not limited to releasing and canceling this Mortgage.

SEE ATTACHED LEGAL DESCRIPTION (EXHIBIT 'A')

Together with all improvements now or hereafter erected on the Premises, all easements, rights, appurtenances, hereditaments and appurtenances belonging or in any way incident or appertaining to the Premises, and all fixtures now or hereafter part of the Premises, to have and to hold said Premises unto MERS and its successors and assigns (solely as nominee for Lender and Lender's successors and assigns), forever.

TERMS AND CONDITIONS:

PAYMENT OF OBLIGATIONS - If I pay my Note according to its terms, this Mortgage will become null and void.

TAXES - LIENS - INSURANCE - MAINTENANCE - I will pay, when they are due and payable, all taxes, security agreements (including mortgages), liens, assessments, obligations, water rates and any other charges against the Premises, whether superior or inferior to the lien of this Mortgage, maintain hazard insurance on the Premises in your favor in a form and amount satisfactory to you and maintain and keep the Premises in good repair at all times during the term of this Mortgage. You may pay any such tax, lien, assessment, obligation, water rates, premium or other charge (including any charge to maintain or repair the Premises) or purchase such insurance in your own name, if I fail to do so. The amount you pay will be due and payable to you on demand.

SEE OTHER SIDE FOR ADDITIONAL IMPORTANT TERMS
SEE ATTACHED ADJUSTABLE RATE MORTGAGE RIDER TO MORTGAGE

Signed this 19 day of December, 2003
Sealed, sealed, and delivered in the presence of:

Rosemelle Shuler (Seal)
ROSEMELLE SHULER

Witness

(Seal)

Witness

(Seal)

ACKNOWLEDGEMENT

STATE OF SOUTH CAROLINA
PROBATE
COUNTY OF Jasper

Before me, a Notary Public in and for said County and State, personally appeared Laura M. McEntire, who, being duly sworn made oath that (s)he saw the within-named Mortgagor(s) sign, seal and as his/her/their act and deed deliver the within-described mortgage, and that (s)he together with Phyllis K. Goodwin witnessed the execution thereof.

Laura M. McEntire
Signature of Witness

SWORN TO before me this 19 day of December, 2003

Phyllis K. Goodwin
Notary Public for South Carolina (Seal)

PHYLLIS K. HOUMANS
NOTARY PUBLIC
SOUTH CAROLINA
My Comm. Exp. 03-25-2004

My Commission Expires: 3-25-04

Instrument 200300038216 Volume 310 Page 146

will bear interest at the interest rate in effect from time to time as provided in the Note secured by this Mortgage if permitted by law or, if not, at the highest lawful interest rate, will be an additional lien on the Premises and may be enforced and collected in the same manner as the other obligations secured by this Mortgage. The insurance carrier providing the insurance referred to above will be chosen by me subject to your approval which will not be unreasonably withheld. All insurance policies and renewals must be acceptable to you and must include a standard mortgage clause. You will have the right to hold the policies and renewals. If you require, I will promptly give to you all receipts of paid premiums and renewal notices. In the event of a loss, I will give prompt notice to the insurance carrier and you. You may file a proof of loss if not made promptly by me. Insurance proceeds will be applied to the restoration or repair of the Premises damaged or, at your option, the insurance proceeds will be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to me. If I abandon the Premises, or do not answer within ten (10) days, a notice from you that the insurance carrier has offered to settle a claim, then you may collect the insurance proceeds. The ten (10)-day period will begin when the notice is given.

TITLE - The Premises were conveyed to me by a deed which is to be, or has been, recorded before this Mortgage, and I warrant the title to the Premises and will defend title to the Premises against all claims and demands, except as to those matters described below. I further warrant that the lien created by this Mortgage is a valid and enforceable first lien, subordinate only to easements and restrictions of record on the date of this Mortgage, and that during the entire term of the indebtedness secured by this Mortgage, such lien will not become subordinate to anything else.

CONDEMNATION - The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation (the taking of my property for a public use) or other taking of any part of the Premises, or for conveyance in lieu of condemnation, are hereby assigned and will be paid to you and are subject to the lien of and secured by this Mortgage. In the event of a taking of the Premises, the proceeds will be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to me. If the Premises are abandoned by me, or if, after notice by you to me that the condemnor offers to make an award or settle a claim for damages, I fail to respond to you within ten (10) days after the date the notice is given, you are authorized to collect and apply the proceeds, at your option, either to the restoration or repair of the Premises, or to the sums secured by this Mortgage, whether or not then due.

DUE ON SALE OR ALTERATION - Except in those circumstances in which Federal law otherwise provides, I will not, without your consent, sell or transfer the Premises or alter, remove or demolish the buildings on the Premises, allow the Premises to deteriorate or commit waste.

DEFAULT - If I default in paying any part of the indebtedness secured by this Mortgage or if I default in any other way under this Mortgage or under the Note which it secures or on any other mortgage which covers the Premises, the entire unpaid principal balance and accrued and unpaid interest and any other amounts I then owe to you under this loan will become immediately due if you desire, without your advising me. If I am required to pay immediately in full as described above, I promise to pay your reasonable attorney's fees not in excess of fifteen percent of the unpaid debt after default if the loan is referred to an attorney, not your employee, for collection and all other reasonable costs and expenses you actually incur in collecting the loan or foreclosing on this Mortgage, to the extent permitted by law. If any money is left over after you foreclose on this Mortgage and deduct such attorney's fees and all other costs and expenses incurred, it will be paid to the persons legally entitled to it, but if any money is still owing, I agree to pay you the balance.

APPOINTMENT OF RECEIVER AND ASSIGNMENT OF RENTS - I agree that you are entitled to the appointment of a receiver in any action to foreclose on this Mortgage and you may also enter the Premises and take possession of them, rent them if the Premises are not already rented, receive all rents and apply them to the obligations secured by this Mortgage. I assign all rents to you but you agree that I may continue to collect the rents unless I am in default under this Mortgage or the Note.

RIGHTS CUMULATIVE - Your rights under this Mortgage will be separate, distinct and cumulative and none of them will be in exclusion of any other one. Will any act of yours be considered as an election to proceed under any one provision of this Mortgage to the exclusion of any other provision.

NOTICES - I agree that any notice and demand may be given to me either in person or by mail.

RELEASE - Upon payment of all sums secured by this Mortgage, you shall release the Premises from the lien of this instrument. I shall pay recording costs to the extent permitted by applicable law.

EXTENSIONS AND MODIFICATIONS - Each of the persons signing this Mortgage agrees that no modification, renewal or extension of time or other variation of any obligation secured by this Mortgage will affect any other obligation under this Mortgage.

APPLICABLE LAW - This Mortgage is made in accordance with, and will be governed by, the laws of the State of South Carolina and applicable Federal law.

RECEIPT OF COPY - Each person signing this Mortgage acknowledges receipt of a completed and signed copy of this Mortgage.

BINDING EFFECT - This Mortgage is binding on and inures to your, my and MERS' successors and assigns.

SEE OTHER SIDE FOR ADDITIONAL IMPORTANT TERMS

This instrument as prepared by and upon recording should be returned to:
THE CIT GROUP/CONSUMER FINANCE, INC.
P.O. BOX 630, HARLTON, NJ 08053-1941

rhmoo Am rr Ann os Ins ess Associate

3.1.1.83

instrument 200300038216 Volume 310 Page 147

EXHIBIT A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This is that same property which was conveyed to the Mortgagor by deed recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1435, Ridgeland, SC 29936.

Map and Parcel No. 062-00-05-017

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 19TH day of DECEMBER, 2003, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or similar instrument (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Promissory Note (the "Note") to THE CIT GROUP/CONSUMER FINANCE, INC., (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:
1519 TAYLOR MILL RD RIDGELAND, SC 29936
Property Address

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

The Note provides for an initial interest rate of 6.700 %. The Note provides for changes in the interest rate and the monthly payments, as follows. The interest rate I will pay may change on 12/24/05 and on that day every 6 month(s) thereafter. Each date on which my interest rate could change is called a "Change Date."

Beginning with the first Change Date, my interest will be based on an Index. The "Index" is the average of the interbank offered rates for six month U.S. Dollar deposits in the London market based on quotations of 5 major banks (LIBOR), as published in the Wall Street Journal. If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give me notice of this choice. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index." Before each Change Date, the Note Holder will calculate my new interest rate by adding 6.750 % to the Current Index. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. The interest rate I am required to pay at the first Change Date will not be greater than 9.700 % or less than 3.700 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than 1.000 % from the rate of interest I have been paying for the preceeding 6 months. My interest rate will never be greater than 12.700 %. My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again. The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and possibly certain other information as well.

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

ROSEMELLE SHULER (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

12/19/03 08:50 169405
SC-4333 (1/00) Nationwide Adjustable Rate Mortgage Rider - LIBOR

In Reference to TMS# 062-00-05-017 (1519 AKA Taylor Mill Rd Ridgeland)

6-7-01 Quick Claim Deed to Rosemelle M. Shuler by Henrietta Perry

1st

6-15-01 mortgage to EquiFirst Corporation (Bk 213 pgs 1-21)

7-26-02 mortgage to Option One Mortgage Corp, a Cal. Corp. Bk 251 pgs 288-29

2-5-04 * satisfaction of mtg to Option One Mtg Corp dtd 7-26-02 (Bk 251 pg 288)

12-19-03 mortgage to The Cit Group/Consumer Finance Inc (Bk 310 pg 146-149)

8-14-06 * satisfaction of mortgage to The Cit Grop... (Bk 310 pg 146-149)

~~2-1-07 mortgage to Bank of Walterboro (Bk 602 pgs 77-84)~~

2nd

5-15-06 mortgage to Lexington Capital (Bk 439 pgs. 138-155)

6-22-07 assignment to BNC Mortg. Inc

6-25-07 assignment to Mortg. Electronic Registration Systems

3rd

3-1-07 mortgage to Bank of Walterboro (Bk 602 pgs 77-84)

Jasper County - Verified Thru: 06/21/2011

Search Criteria: Search Type: Names; Name: BUSH CHARLES; Party: both

Displaying 1-15 of 36 Items

Book/Page	Doc Type		Name		Other Name	Recorded	Verified	Description
0602/0074	Deed	ee	BUSH CHARLES	+ or	CLELAND TRACY R	10/29/2007	✓	LT B OAK PARK S/D
0017/0136	Plat Large	or	BUSH CHARLES	+ ee		06/01/1984	✓	
0083/1957	Deed	or	BUSH CHARLES	ee	BUSH JAMES	11/02/1981	✓	
0072/0243	Deed	ee	BUSH CHARLES	or	WINCHESTER GRAHAM HOMESO F ORANGEBURG INC	05/31/1974	✓	see document
0055/0106	Deed	or	BUSH CHARLES	+ ee	WINCHESTER GRAHAM HOMES OF ORANGEBURG INC	07/02/1965	✓	
0194/0103	Power Of Attorney	ee	BUSH CHARLES D	or	BUSH CHARLES H	11/10/1998	✓	DURABLE POWER OF ATTORNEY
0194/0058	Deed	ee	BUSH CHARLES D	or	BUSH JAMES	11/06/1998	✓	PARCEL & EASEMENT
0804/0213	Power Of Attorney	ee	BUSH CHARLES E	or	BUSH MARY LEE	02/25/2011	✓	
0804/0201	Power Of Attorney	ee	BUSH CHARLES E	or	BUSH WILLIE	02/25/2011	✓	
0784/0789	Tax Lien	ee	BUSH CHARLES E	+ or	SOUTH CAROLINA DEPARTMENT OF REVENUE	02/05/2010	✓	3-51112940-0
0783/0508	Tax Lien	ee	BUSH CHARLES E	+ or	SOUTH CAROLINA DEPARTMENT OF REVENUE	01/14/2010	✓	3-51102254-7
0735/0261	Tax Lien	ee	BUSH CHARLES E	+ or	SOUTH CAROLINA DEPARTMENT OF REVENUE	04/23/2009	✓	3-51027704-7
0718/0186	Tax Lien	ee	BUSH CHARLES E	+ or	SOUTH CAROLINA DEPARTMENT OF REVENUE	01/27/2009	✓	3-50997758-3
0715/0243	Tax Lien	ee	BUSH CHARLES E	+ or	SOUTH CAROLINA DEPARTMENT OF REVENUE	01/12/2009	✓	3-50992467-1
0683/0259	Deed	+ or	BUSH CHARLES E	+ ee	FEDERAL NATIONAL MORTGAGE ASSOCIATION	07/25/2008	✓	Lot 12, Block B, of M.A. Garr S/D

Jasper County - Verified Thru: 06/21/2011

Search Criteria: Search Type: Names; Name: BUSH CHARLES; Party: both

Displaying 16-30 of 36 Items

Book/Page	Doc Type	Name		Other Name	Recorded	Verified	Description
0682/0056	Satisfaction	BUSH CHARLES E	+ or	GREENPOINT MORTGAGE FUNDING	07/18/2008	✓	Book 532 at Page 37,
0658/0216	Assignment	BUSH CHARLES E	+ or	GREENPOINT MORTGAGE FUNDING	04/24/2008	✓	Book 532 at Page 37,
0602/0077	Mortgage	BUSH CHARLES E	+ or	BANK OF WALTERBORO	10/29/2007	✓	LT B OAK PARK & 1 ACRE
0597/0059	Satisfaction Of Tax Lien	BUSH CHARLES E	+ ee	SOUTH CAROLINA DEPARTMENT OF REVENUE	10/15/2007	✓	BK 589 PG 67
0589/0067	Tax Lien	BUSH CHARLES E	+ or	SOUTH CAROLINA DEPARTMENT OF REVENUE	09/17/2007	✓	3-50848736-0
0535/0056	Satisfaction	BUSH CHARLES E	or	MORTGAGE ELECTRONIC REGISTRATION SYSTEM + ee	04/02/2007	✓	MB 342 PG 97
0532/0037	Mortgage	BUSH CHARLES E	+ or	MORTGAGE ELECTRONIC REGISTRATION SYSTEM + ee	03/22/2007	✓	LT 4 GREEN ACRES S/D PB 11 PG 254
0532/0052	Mortgage	BUSH CHARLES E	or	MORTGAGE ELECTRONIC REGISTRATION SYSTEM + ee	03/22/2007	✓	LT 4 GREEN ACRES S/D PB 11 PG 254
0520/0256	Deed	BUSH CHARLES E	+ ee	C & P COMMUNITY HOUSING + or	02/15/2007	✓	LT 12 BLOCK B M A GARR S/D PB 14 PG 2
0411/0225	Satisfaction	BUSH CHARLES E	or	SOUTH CAROLINA BANK & TRUST NA ee	03/28/2006	✓	MB 274 PG 83
0406/0170	Deed	BUSH CHARLES E	ee	C & P COMMUNITY HOUSING or	03/10/2006	✓	LT 4 GREEN ACRES SUB PB 11 PG 254
0406/0174	Deed	BUSH CHARLES E	+ or	BUSH DARRELL L ee	03/10/2006	✓	12500000 LT 4 GREEN ACRES SUB PB 11 PG 254 TMS # 085-06-01-008
0331/0055	Deed	BUSH CHARLES E	+ or	C & P COMMUNITY HOUSING + ee	10/11/2005	✓	2 PARCELS
0305/0138	Deed	BUSH CHARLES E	+ ee	POWELL WILTON H + or	10/22/2004	✓	13600000 LOT 12 BLOCK B PB 14 PG 2
0342/0197	Mortgage	BUSH CHARLES E	or	GREENPOINT MORTGAGE FUNDING INC + ee	10/22/2004	✓	LOT 12 BLOCK B PB 14 PG 2

Jasper County - Verified Thru: 06/21/2011

Search Criteria: Search Type: Names; Name: BUSH CHARLES; Party: both

Displaying 31-36 of 36 Items

Book/Page	Doc Type	Name		Other Name		Recorded	Verified	Description
0270/0258	Deed	BUSH CHARLES E	ee	BUSH CHARLES E	+ or	03/11/2003	✓	LOT 4 GREEN ACRES SD PB 11 PG 254
0270/0258	Deed	BUSH CHARLES E	or	BUSH CHARLES E	+ ee	03/11/2003	✓	LOT 4 GREEN ACRES SD PB 11 PG 254
0270/0121	Deed	BUSH CHARLES E	ee	HORTON ROBERT KEITH	or	02/28/2003	✓	3400000 LOT 4 GREEN ACRES SD PB 11 PG 254
0274/0083	Mortgage	BUSH CHARLES E	or	SOUTH CAROLINA BANK & TRUST	ee	02/28/2003	✓	LOT 4 GREEN ACRES SD DB 270 PG 121
0194/0103	Power Of Attorney	BUSH CHARLES H	or	BUSH CHARLES D	ee	11/10/1998	✓	DURABLE POWER OF ATTORNEY
0055/0106	Deed	BUSH CHARLES H	or	WINCHESTER GRAHAM HOMES OF ORANGEBURG INC	+ ee	07/02/1965	✓	

Jasper County - Verified Thru: 06/21/2011

Search Criteria: Search Type: All Names; Name: SHULER ROSEMELLE; Party: both

Displaying 1-15 of 18 Items

	Book/Page		Doc Type		Name		Other Name		Recorded	Verified	Description
	0640/0186		Satisfaction	or	SHULER ROSEMELLE	ee	FARMERS HOME ADMINISTRATION	+	02/26/2008	✓	Book 72 at Page 1054
	0577/0228	+	Assignment	or	SHULER ROSEMELLE	+ ee	MORTGAGE ELECTRONIC REGISTRATION SYSTEM	+	08/13/2007	✓	BK 439 PG 138
	0577/0226	+	Assignment	or	SHULER ROSEMELLE	+ ee	BNC MORTGAGE INC		08/13/2007	✓	OR BK 439 PG 138
	0460/0137		Satisfaction	or	SHULER ROSEMELLE	ee	MORTGAGE ELECTRONIC REGISTRATION SYSTEM	+	08/21/2006	✓	MB 310 PG 146
	0439/0138	+	Mortgage	or	SHULER ROSEMELLE	ee	LEXINGTON CAPITAL		06/20/2006	✓	1 AC HWY S-175 PB 16 PG 480
	0034/0007		Satisfaction	or	SHULER ROSEMELLE	ee	OPTION ONE MORTGAGE CORP		02/05/2004	✓	MB 251 PG 288
✓	0310/0146		Mortgage	or	SHULER ROSEMELLE	ee	CIT GROUP	+	12/29/2003	✓	1.00 ACRE DB 92 PG 750
✓	0251/0288		Mortgage	or	SHULER ROSEMELLE	ee	OPTION ONE MORTGAGE CORP		08/01/2002	✓	1.00 ACRE DB 238 PG 249
	0602/0077	+	Mortgage	or	SHULER ROSEMELLE M	+ ee	BANK OF WALTERBORO		10/29/2007	✓	LT B OAK PARK & 1 ACRE
	0602/0074	+	Deed	ee	SHULER ROSEMELLE M	+ or	CLELAND TRACY R		10/29/2007	✓	LT B OAK PARK S/D
	0415/0065		Satisfaction	or	SHULER ROSEMELLE M	ee	FIRST FAMILY FINANCIAL SERVICES		04/04/2006	✓	MB 128 PG 317
	0024/0286		Satisfaction	or	SHULER ROSEMELLE M	ee	COASTAL BANK		08/16/2001	✓	MB 112 PG 109
	0238/0249		Deed	ee	SHULER ROSEMELLE M	or	PERRY HENRIETTA		06/21/2001	✓	QUITCLAIM DEED
✓	0213/0001		Mortgage	or	SHULER ROSEMELLE M	ee	EQUIFIRST CORP		06/21/2001	✓	1.000 ACRE
	0020/0113		Satisfaction	or	SHULER ROSEMELLE M	ee	COASTAL WATER RESOURCES INC		06/07/1999	✓	MB 76 PG 204

Jasper County - Verified Thru: 06/21/2011

Search Criteria: Search Type: Names; Parcel ID: 062-00-05-017; Party: both

Displaying 1-5 of 5 Items

Book/Page	Doc Type	Name		Other Name	Recorded	Verified	Description
0602/0077	Mortgage	BUSH CHARLES E or SHULER ROSEMELLE M +		BANK OF WALTERBORO ee	10/29/2007	✓	LT B OAK PARK & 1 ACRE
0310/0146	Mortgage	SHULER ROSEMELLE or		CIT GROUP + CONSUMER FINANCE INC ee	12/29/2003	✓	1.00 ACRE DB 92 PG 750
0251/0288	Mortgage	SHULER ROSEMELLE or		OPTION ONE MORTGAGE CORP ee	08/01/2002	✓	1.00 ACRE DB 238 PG 249
0238/0249	Deed	PERRY HENRIETTA or		SHULER ROSEMELLE M ee	06/21/2001	✓	QUITCLAIM DEED
0213/0001	Mortgage	SHULER ROSEMELLE M or		EQUIFIRST CORP ee	06/21/2001	✓	1.000 ACRE

Satisfied Mortgages
and Dep Liens

Parcel B

200400038708
Filed for Record in
JASPER COUNTY
2003
02-05-2004 At 10:36 am.
SATISFACT 5.00
Volume 34 Page 7 - 7

This instrument must be recorded in
JASPER County, SC

Recording Requested By:
Option One Mortgage Corporation (OOMC)

When Recorded Return To:
Fidelity National LPS
PO Box 19523
Irvine, CA 92623-9523

Loan #: 0006682421 LPS #: 2355450 Bin #: 010504_34

LOST MORTGAGE SATISFACTION

MORTGAGE:
Original Mortgagor: ROSEMELLE SHULER
Original Mortgagee: OPTION ONE MORTGAGE CORPORATION, A CALIFORNIA CORPORATION
Dated: 7/26/2002 and Recorded 8/1/2002 as Instrument No. 200200031545 Book/Page/Liber 251, Page/Folio 288 (Re-recorded as Inst. # - Book/Page/Liber - Page/Folio -)
(Modification Agreement Recorded on: as Inst# Book/Page /)
Present Owner/Holder: Option One Mortgage Corporation, a California Corporation

The undersigned, being the owner and holder of the above-described mortgage, acknowledges that the debt which was secured hereby has been paid in full and the lien of the mortgage is satisfied and cancelled.

Property Address: RT 2 BOX 75, RIDGELAND, SC 29936

Option One Mortgage Corporation, a California Corporation

On January 07, 2004

By: _____
Michelle D. Barney, Vice President - Reconveyance and Release

Witness
Katelyn Truong

Witness
Victor Lopez

State of CA
County of ORANGE

On January 07, 2004, before me, MICHELE REESE, a Notary Public in and for the County of ORANGE, State of CA, personally appeared Michelle D. Barney, Vice President - Reconveyance and Release, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

MICHELE REESE
Commission Expires: 4/10/2005

MICHELE REESE
Comm. # 1300417
NOTARY PUBLIC-CALIFORNIA
Orange County
My Comm. Expires April 10, 2005

AFFIDAVIT OF LOST MORTGAGE

State of CA
County of ORANGE
Personally appeared before me the undersigned, who, being duly sworn, says that the above designated owner/holder is the bona fide owner and holder of the described mortgage; that the original mortgage has been lost and cannot be found; that the mortgage has not been assigned, hypothecated or disposed of otherwise.

Michelle D. Barney, Vice President - Reconveyance and Release

Witness:

SWORN to before me on Date: January 07, 2004

MICHELE REESE
Commission Expires: 4/10/2005

MICHELE REESE
Comm. # 1300417
NOTARY PUBLIC-CALIFORNIA
Orange County
My Comm. Expires April 10, 2005

Document Prepared By: Suzanne Gonzalez, FNLPS, 15661 Redhill Ave., Suite 200, Tustin, CA 92780
1/25/2004 686 0681

3/25/2004

200200031545
Filed for Record in
JASPER COUNTY
MARGARET BOSTICK
08-01-2002 At 04:35 pm.
MORTGAGE 14.00
Volume 251 Page 288 - 295

Instrument Volume Page
200200031545 251 288

062-00-05-017

WHEN RECORDED MAIL TO:
OPTION ONE MORTGAGE CORPORATION
P.O. BOX 57076
IRVINE, CA 92619-7076

ATTN: QUALITY CONTROL

Loan Number: 341008080
Servicing Number: 668242-1

[Space Above This Line For Recording Data]

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on July 26, 2002 . The mortgagor is ROSEMELLE SHULER

("Borrower"). This Security Instrument is given to Option One Mortgage Corporation, a California Corporation which is organized and existing under the laws of CALIFORNIA , and whose address is 3 Ada, Irvine, CA 92618 ("Lender"). Borrower owes Lender the principal sum of EIGHTY ONE THOUSAND SEVEN HUNDRED . . . AND NO/100THs Dollars (U.S.$81,700.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on August 01, 2032 . This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns the following described property located in Jasper County, South Carolina:
0620005017

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART THEREOF.

Derivation Clause: Being the same property conveyed to by Deed of dated and recorded in the RNC Office for County in Book Page

which has the address of RT 2 BOX 75, [Street]

RIDGELAND , South Carolina 29936- ("Property Address");
[City] [Zip Code]

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

EXHIBIT A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480.

This is that same property which was conveyed to Rosemelle M. Shuler by deed recorded in Deed Book 92 at Page 750 on December 2, 1987, and Deed Book 238 at Page 249 on June 21, 2001, in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1000, Ridgeland, SC 29936.

Map and Parcel No. 062-00-05-017.

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

COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the Federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

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

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

Instrument 200208080031545 Volume 2551 Page 269

MERS000181

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, or applicable Law otherwise requires, insurance proceeds shall be applied first to reimburse Lender for costs and expenses incurred in connection with obtaining any such insurance proceeds, and then, at Lender's option, in such order and proportion as Lender may determine in its sole and absolute discretion, and regardless of any impairment of security or lack thereof: (i) to the sums secured by this Security Instrument, whether or not then due, and to such components thereof as Lender may determine in its sole and absolute discretion; and/or (ii) to Borrower to pay the costs and expenses of necessary repairs or restoration of the Property to a condition satisfactory to Lender. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, Lender may collect the insurance proceeds. Lender may, in its sole and absolute discretion, and regardless of any impairment of security or lack thereof, use the proceeds to repair or restore the Property or to pay the sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extend of the sums secured by this Security Instrument immediately prior to the acquisition.

If Borrower obtains earthquake insurance, any other hazard insurance, or any other insurance on the Property and such insurance is not specifically required by Lender, then such insurance shall (i) name Lender as loss payee thereunder, and (ii) be subject to the provisions of this paragraph 5.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower acknowledges that the Lender does not desire to make a loan to Borrower secured by this property on the terms contained in the Note unless the property is to be occupied by Borrower as Borrower's primary/secondary residence. Lender makes non-owner residence loans of different terms. Borrower promises and assures Lender that Borrower intends to occupy this property as Borrower's primary/secondary residence and that Borrower will so occupy this property as its sole primary/secondary residence within sixty (60) days after the date of the Security Instrument. If Borrower breaches this promise to occupy the property as Borrower's primary/secondary residence, then Lender may invoke any of the following remedies, in addition to the remedies provided in the Security Instrument; (1) Declare all sums secured by the Security Instrument due and payable and foreclose the Security Instrument, (2) Decrease the term of the loan and adjust the monthly payments under the Note accordingly, increase the interest rate and adjust the monthly payments under the Note accordingly, or (3) require that the principal balance be reduced to a percentage of either the original purchase price or the appraised value then being offered on non-owner occupied loans.

Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

Borrower shall, at Borrower's own expense, appear in and defend any action or proceeding purporting to affect the Property or any portion thereof or Borrower's title thereto, the validity or priority of the lien created by this Security Instrument, or the rights or powers of Lender with respect to this Security Instrument or the Property. All causes of action of Borrower, whether accrued before or after the date of this Security Instrument, for damage or injury to the Property or any part thereof, or in connection with any transaction financed in whole or in part by the proceeds of the Note or any other note secured by this Security Instrument, by Lender, or in connection with or affecting the Property or any part thereof, including causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, are, at Lender's option, assigned to Lender, and the proceeds thereof shall be paid directly to Lender who, after deducting therefrom all its expenses, including reasonable attorneys' fees, may apply such proceeds to the sums secured by this Security Instrument or to any deficiency under this Security Instrument or may release any monies so received by it or any part thereof, as Lender may elect. Lender may, at its option, appear in and prosecute in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement thereof. Borrower agrees to execute such further assignments and any other instruments as from time to time may be necessary to effectuate the foregoing provisions and as Lender shall request.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien

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which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate in effect from time to time and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Lender may apply, use or release the condemnation proceeds in the same manner as provided in paragraph 5 hereof with respect to insurance proceeds.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successorsin interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law. The holder of the Note and this Security Instrument shall be deemed to be the Lender hereunder.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

Borrower shall be solely responsible for, shall indemnify, defend and hold harmless Lender, its directors, officers, employees, attorneys, agents, and their respective successors and assigns, from and against any and all claims, demands, causes of action, loss, damage, cost (including actual attorneys' fees and court costs and costs of any required or necessary repair, cleanup or detoxification of the Property and the preparation and implementation of any closure, abatement, containment, remedial or other required plan), expenses and liability directly or indirectly arising out of or attributable to (a) the use, generation, storage, release, threatened release, discharge, disposal, abatement or presence of Hazardous Substances on, under or about the Property, (b) the transport to or from the Property of any Hazardous Substances, (c) the violation of any Hazardous Substances law, and (d) any Hazardous Substances claims.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

ADDITIONAL COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. If any installment under the Note or notes secured hereby is not paid when due, or if Borrower should be in default under any provision of this Security Instrument, or if Borrower is in default under any other mortgage or other instrument secured by the Property, all sums secured by this Security Instrument and accrued interest thereon shall at once become due and payable at the option of Lender without prior notice, except as otherwise required by applicable law, and regardless of any prior forbearance. In such event, Lender, at its option, and subject to applicable law, may then or thereafter invoke the power of sale and/or any other remedies or take any other actions permitted by applicable law. Lender will collect all expenses incurred in pursuing the remedies described in this Paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any

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recordation costs. Lender may charge such person or persons a fee for releasing the Property for services rendered if the charging of the fee is permitted under applicable law.

23. Waiver. Borrower waives all rights of homestead exemption in the Property. Borrower waives the right to assert any statute providing appraisal rights which may reduce any deficiency judgement obtained by Lender against Borrower in the event of foreclosure under this Security Instrument.

24. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to one hundred fifty percent (150%) of the original principle amount of the Note plus interest therein, attorneys' fees and court costs.

25. Misrepresentation and Nondisclosure. Borrower has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this Security Instrument secures, and in the event that Borrower has made any material misrepresentation or failed to disclose any material fact, Lender, at its option and without prior notice or demand, shall have the right to declare the indebtedness secured by this Security Instrument, irrespective of the maturity date specified in the Note or notes secured by this Security Instrument, immediately due and payable. To the extent permitted by applicable law, Lender, upon presentation to it of an affidavit signed by Lender setting forth facts showing a default by Borrower under this paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

26. Time is of the Essence. Time is of the essence in the performance of each provision of this Security Instrument.

27. Waiver of Statute of Limitations. The pleading of the statute of limitations as a defense to enforcement of this Security Instrument, or any and all obligations referred to herein or secured hereby, is hereby waived to the fullest extent permitted by applicable law.

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

29. Reimbursement. To the extent permitted by applicable law, Borrower shall reimburse Trustee and Lender for any and all costs, fees and expenses which either may incur, expend or sustain in the execution of the trust created hereunder or in the performance of any act required or permitted hereunder or by law or in equity or otherwise arising out of or in connection with this Security Instrument, the Note, any other note secured by this Security Instrument or any other instrument executed by Borrower in connection with the Note or Security Instrument. To the extent permitted by applicable law, Borrower shall pay to Trustee and Lender their fees in connection with Trustee and Lender including, but not limited to assumption application fees; fees for payoff demands and, statements of loan balance; fees for making, transmitting and transporting copies of loan documents, verifications, full or partial lien releases and other documents requested by borrower or necessary for performance of Lender's rights or duties under this Security Instrument; fees arising from a returned or dishonored check; fees to determine whether the Property is occupied, protected, maintained or insured or related purposes; appraisal fees, inspection fees, legal fees, broker fees, insurance mid-term substitutions, repair expenses, foreclosure fees and costs arising from foreclosure of the Property and protection of the security for this Security Instrument; and all other fees and costs of a similar nature not otherwise prohibited by law.

30. Clerical Error. In the event Lender at any time discovers that the Note, any other note secured by this Security Instrument, the Security Instrument, or any other document or Instrument executed in connection with the Security Instrument, Note or notes contains an error that was caused by a clerical mistake, calculation error, computer malfunction, printing error or similar error, Borrower agrees, upon notice from Lender, to reexecute any documents that are necessary to correct any such error(s). Borrower further agrees that Lender will not be liable to Borrower for any damages incurred by Borrower that are directly or indirectly caused by any such error.

31. Lost Stolen, Destroyed or Mutilated Security Instrument and Other Documents. In the event of the loss, theft or destruction of the Note, any other note secured by this Security Instrument, the Security Instrument or any other documents or instruments executed in connection with the Security Instrument, Note or notes (collectively, the "Loan Documents"), upon Borrower's receipt of an indemnification executed in favor of Borrower by Lender, or, in the event of the mutilation of any of the Loan Documents, upon Lender's surrender to Borrower of the mutilated Loan Document, Borrower shall execute and deliver to Lender a Loan Document in form and content identical to, and to serve as a replacement of, the lost, stolen, destroyed, or mutilated Loan document, and such replacement shall have the same force and effect as the lost, stolen, destroyed, or mutilated Loan Documents, and may be treated for all purposes as the original copy of such Loan Document.

32. Assignment of Rents. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property. Borrower shall have the right to collect and retain the rents of the Property as they become due and payable provided Lender has not exercised its rights to require immediate payment in full of the sums secured by this Security instrument and Borrower has not abandoned the Property.

33. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

[Check applicable box(es)]

☐ Adjustable Rate Rider ☐ Condominium Rider ☐ 1-4 Family Rider
☐ Manufactured Home Rider ☐ Planned Unit Development Rider ☐ Occupancy Rider
☐ Other(s) (specify)

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Loan Number: 341008080 Servicing Number: 668242-1 Date: 07/26/2002

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

Signed, sealed and delivered in the presence of:

Witness Witness

ROSEMELLE SHULER (Seal) -Borrower (Seal) -Borrower

(Seal) -Borrower (Seal) -Borrower

(Seal) -Borrower (Seal) -Borrower

[Space Below This Line For Acknowledgment]

STATE OF SOUTH CAROLINA, Jasper County

ss:

Before me personally appeared Laura M. McKenzie and made oath that she saw the within named Borrower sign, seal, and as her act and deed, deliver the within written Mortgage; and that she with Phyllis K. Youmans witnessed the execution thereof.

Sworn before me this 26th day of July 2002

Witness

Notary Public for South Carolina

My Commission Expires: 3-25-04

(Seal)

SCD10017 (04-07-00)

Instrument 200200031545 Volume 251 Page 295

5

200600004315
Filed for Record in
JASPER COUNTY
PATSYE M GREENE
08-21-2006 At 11:36 am.
SATISFACT 5.00
OR Volume 460 Page 137 - 141

sc

Satisfaction of Mortgage

State of South Carolina
County of JASPER

Mortgage Electronic Registration Systems, Inc., as nominee for the beneficial owner, owner and holder of a mortgage dated 12/19/2003 from ROSEMELLE SHULER to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC AS A NOMINEE FOR CIT GROUP/CONSUMER FINANCE, INC., recorded in JASPER County in Book 310 Page 146-149 and in the amount of 88350, hereby declares the same to be fully satisfied and the lien thereof forever discharged. The property is described as: 1519 Taylor Mill Rd , Ridgeland , SC 29936

IN WITNESS WHEREOF Mortgage Electronic Registration Systems, Inc., has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed by its proper officers thereunto and delivered in the presence of

Mortgage Electronic Registration Systems, Inc.

(Witness)

Printed Name

By: _____ (seal)
Name: BRIDGETTE WINTERS, VICE PRESIDENT

(Witness)

Printed Name

Prepared by and after recording return to: Brown & Associates , 10592-A Fuqua, PMB 426, Houston, TX 77089
1519 Taylor Mill Rd , Ridgeland , SC 29936

200600004315
BROWN & ASSOCIATES PC
10592-A FUQUA PMB 426
HOUSTON, TX 77089

State of TEXAS

County of HARRIS

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared BRIDGETTE WINTERS, VICE PRESIDENT of Mortgage Electronic Registration Systems, Inc., well known to me to be the person and to hold such office, and severally acknowledged

1. That the person signing this instrument and the person attesting to such signature, are each the proper corporate officer to perform such acts;
2. That such acts were taken under authority duly vested in them by said corporation by a proper resolution of its Board of Directors;
3. That he/she knows the proper seal of the corporation, and the seal which was affixed to this document is the true corporate seal of said corporation by authority of the Board of Directors;
4. That he/she acknowledged said instrument to be the free act and deed of said corporation;
5. That he/she signed this proof to attest to the truth of these facts.

SIGNED AND SWORE TO before me on this 14 day of Sept 2006.
WITNESS my hand and seal in the County and State last aforesaid.

Notary Public In and for the
State of Texas

S. BOUNDS
NOTARY PUBLIC, STATE OF TEXAS
COMMISSION EXPIRES:
DECEMBER 15, 2009

My Commission Expires:

Notary's Printed Name

HOLDER'S ADDRESS:
P.O. Box 2026, Flint, MI 48501-2026
Future Tax Statements should be sent to: Rosemelle Shuler, Po Box 75, , Ridgeland, SC 209362600
MIN: 100263195004136055 MERS Telephone No. 1-888-679-6377

Instrument Volume Page
20060004315 OR 460 135

STATE OF Texas

HYPOTHECATED STATEMENT

COUNTY OF Harris

Personally appeared BRIDGETTE WINTERS, before me, the undersigned, who being duly sworn, says that **Mortgage Electronic Registration Systems, Inc.**, is the bona fide owner and holder of the described mortgage; that the mortgage has not been assigned, hypothecated, or otherwise disposed of and that the original mortgage has been lost and after diligent search cannot be found.

Mortgage Electronic Registration Systems, Inc.

By: Bridgette Winters
Name: BRIDGETTE WINTERS, VICE PRESIDENT

SWORN to and subscribed before me this 8-14-06

S. BOUNDS
NOTARY PUBLIC, STATE OF TEXAS
COMMISSION EXPIRES:
DECEMBER 15, 2009

Notary Public for TEXAS
My Commission Expires: _____

Release prepared by and return to: Brown & Associates, PC, 10592-A Fuqua, PMB 428, Houston, TX 77089
Future Tax Statements should be sent to: Rosemelle Shuler, Po Box 75, , Ridgeland, SC 290362600
1519 Taylor Mill Rd , Ridgeland , SC 29936
231611902987775O2

MIN: 100263185004136055 MERS Telephone No. 1-888-679-6377

Instrument 200600004315 OR Volume 420 Page 140

STATE OF SOUTH CAROLINA) LOST MORTGAGE SATISFACTION
COUNTY OF JASPER)
) MORTGAGE DATA:

ROSEMELLE SHULER,
MORTGAGORS) Dated: 12/19/2003
) Recorded: 12/29/2003
)
) Recorded: Mortgage Book 310 at
page 146-149 Instrument # 200300038216
) Amount: 88350
TO)
MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC AS A NOMINEE FOR CIT GROUP/CONSUMER FINANCE, INC.,
MORTGAGEE)
) Present Mortgagee:

Mortgage Electronic Registration Systems, Inc. as nominee for the beneficial owner

The Undersigned, being the owner and holder of the above-described mortgage, acknowledges that the debt which was secured thereby has been paid in full and the lien of the mortgage is satisfied and canceled.

Mortgage Electronic Registration Systems, Inc.

Date: 9-14-06

Witness:

(witness1)

(witness2)

By: Bridgette Winters
Name: BRIDGETTE WINTERS, VICE PRESIDENT

Prepared by and after recording return to: Brown & Associates , 10592-A Fuqua, PMB 426, Houston, TX 77089
1519 Taylor Mill Rd , Ridgeland , SC 29936
23161190298777502

Instrument Volume Page
20040004315 OR 440 141

STATE OF Texas
COUNTY OF Harris PROBATE

Personally appeared before me the undersigned witness, who being duly sworn, says that s/he saw the within named Owner/Holder sign, seal, and deliver the within Lost Mortgage Satisfaction; and that s/he with the other witness whose signature appears above, witnessed the execution thereof.

(Witness2)

SWORN to before me this
4th day of 14-Dec

S. BOUNDS
NOTARY PUBLIC, STATE OF TEXAS
COMMISSION EXPIRES:
DECEMBER 15, 2009

Notary Public for TEXAS
My Commission Expires: _____

Release prepared by and return to: Brown & Associates, PC, 10592-A Fuqua, PMB 426, Houston, TX 77089
Future Tax Statements should be sent to: Rosamelle Shuler, Po Box 75, , Ridgeland, SC 299362600

MIN: 100263195004136055 MERS Telephone No. 1-888-679-6377

200300038216
Filed for Record in
JASPER COUNTY
2003
12-29-2003 At 03:36 pm.
MORTGAGE 10.00
Volume 310 Page 146 - 149

REAL ESTATE MORTGAGE

CIT

Name and Address of Mortgagor(s):	Lender:
MARRIED ROSEMELLE SHULER 1519 TAYLOR MILL RD RIDGELAND, SC 29936	THE CIT GROUP/CONSUMER FINANCE, INC. 5000 FALLS OF NEUSE ROAD SUITE 405-5000 N. PRK. BLD. RALEIGH, NC 27609
MIN: 100163195004136053	Mortgagee: MERS P.O. Box 2026 Flint, MI 48501-2026

Loan Number	Date	Date First Payment Due	Principal Balance
9500413603	12/19/2003	12/24/33	$3,350.00

This loan is secured by a Mortgage on the real property located at:
1519 TAYLOR MILL RD, RIDGELAND, SC 29936

062-00-05-017

The words "I," "me" and "my" refer to all Mortgagors indebted on the Note secured by this Mortgage. The words "you" and "your" refer to Lender and Lender's assignee if this Mortgage is assigned. MERS refers to Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the mortgagee under this Mortgage. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, Tel. (888) 679-MERS.

MORTGAGE OF REAL ESTATE

To secure payment of (a) a Note I signed today promising to pay you the Principal Balance as shown above together with interest at the rate in effect from time to time as provided in the Note secured by this Mortgage, which Note has a maturity date of 12/24/33, and all modifications, renewal and extensions thereof, (b) all amounts advanced by you under this Mortgage to protect the security of this Mortgage, and (c) all future advances made under this Mortgage up to one hundred fifty percent (150%) of the original principal balance of the Note plus interest thereon, court costs and attorney's fees, each of the persons signing this Mortgage mortgages, grants, conveys and confirms to MERS and its successors and assigns (solely as nominee for Lender and Lender's successors and assigns), the real estate described below, and all present and future improvements on the real estate and all easements, rights, appurtenances and rents, which is located in South Carolina, County of JASPER (the "Premises"). Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Mortgage, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Premises; and to take any action required of Lender including, but not limited to, releasing and canceling this Mortgage.

SEE ATTACHED LEGAL DESCRIPTION (EXHIBIT 'A')

Together with all improvements now or hereafter erected on the Premises, all easements, rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining to the Premises, and all fixtures now or hereafter part of the Premises, to have and to hold said Premises unto MERS and its successors and assigns (solely as nominee for Lender and Lender's successors and assigns), forever.

TERMS AND CONDITIONS:

PAYMENT OF OBLIGATIONS - If I pay my Note according to its terms, this Mortgage will become null and void.

TAXES - LIENS - INSURANCE - MAINTENANCE - I will pay, when they are due and payable, all taxes, security agreements (including mortgages), liens, assessments, obligations, water rates and any other charges against the Premises, whether superior or inferior to the lien of this Mortgage, maintain hazard insurance on the Premises in your favor in a form and amount satisfactory to you and maintain and keep the Premises in good repair at all times during the term of this Mortgage. You may pay any such tax, lien, assessment, obligation, water rates, premium or other charge (including any charge to maintain or repair the Premises) or purchase such insurance in your own name, if I fail to do so. The amount you pay will be due and payable to you on demand.

SEE OTHER SIDE FOR ADDITIONAL IMPORTANT TERMS
(SEE ATTACHED ADJUSTABLE RATE MORTGAGE RIDER TO MORTGAGE

Signed this 19 day of December, 2003

Signed, sealed, and delivered in the presence of:

Witness

Witness

Rosemelle Shuler (Seal)
ROSEMELLE SHULER

(Seal)

(Seal)

ACKNOWLEDGEMENT

STATE OF SOUTH CAROLINA

PROBATE

COUNTY OF Jasper

Before me, a Notary Public in and for said County and State, personally appeared Laura M. McKenzie, who, being duly sworn made oath that (s)he saw the within-named mortgagor(s) sign, seal and as his/her/their act and deed deliver the within-described mortgage, and that (s)he together with Phyllis K. Koumans witnessed the execution thereof.

Signature of Witness

SWORN TO before me this 19 day of December, 2003.

Notary Public for South Carolina (SEAL)

My Commission Expires: 3-25-04

PHYLLIS K. KOUMANS NOTARY PUBLIC SOUTH CAROLINA My Comm. Exp. 03-25-2004

3-2343.1 (9/03) South Carolina Fixed Mortgage Adjustable Rate

Instrument 200300038216 Volume 310 Page 146

will bear interest at the interest rate in effect from time to time as provided in the Note secured by this Mortgage if permitted by law or, if not, at the highest lawful interest rate, will be an additional lien on the Premises and may be enforced and collected in the same manner as the other obligations secured by this Mortgage. The insurance carrier providing the insurance referred to above will be chosen by me subject to your approval which will not be unreasonably withheld. All insurance policies and renewals must be acceptable to you and must include a standard mortgage clause. You will have the right to hold the policies and renewals. If you require, I will promptly give to you all receipts of paid premiums and renewal notices. In the event of a loss, I will give prompt notice to the insurance carrier and you. You may file a proof of loss if not made promptly by me. Insurance proceeds will be applied to the restoration or repair of the Premises damaged or, at your option, the insurance proceeds will be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to me. If I abandon the Premises, or do not answer within ten (10) days, a notice from you that the insurance carrier has offered to settle a claim, then you may collect the insurance proceeds. The ten (10)-day period will begin when the notice is given.

TITLE - The Premises were conveyed to me by a deed which is to be, or has been, recorded before this Mortgage, and I warrant the title to the Premises and will defend title to the Premises against all claims and demands, except as to those matters described below. I further warrant that the lien created by this Mortgage is a valid and enforceable first lien, subordinate only to easements and restrictions of record on the date of this Mortgage, and that during the entire term of the indebtedness secured by this Mortgage, such lien will not become subordinate to anything else.

CONDEMNATION - The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation (the taking of my property for a public use) or other taking of any part of the Premises, or for conveyance in lieu of condemnation, are hereby assigned and will be paid to you and are subject to the lien of and secured by this Mortgage. In the event of a taking of the Premises, the proceeds will be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to me. If the Premises are abandoned by me, or if, after notice by you to me that the condemnor offers to make an award or settle a claim for damages, I fail to respond to you within ten (10) days after the date the notice is given, you are authorized to collect and apply the proceeds, at your option, either to the restoration or repair of the Premises, or to the sums secured by this Mortgage, whether or not then due.

DUE ON SALE OR ALTERATION - Except to those circumstances in which Federal law otherwise provides, I will not, without your consent, sell or transfer the Premises or alter, remove or demolish the buildings on the Premises, allow the Premises to deteriorate or commit waste.

DEFAULT - If I default in paying any part of the indebtedness secured by this Mortgage or if I default in any other way under this Mortgage or under the Note which it secures or on any other mortgage which covers the Premises, the entire unpaid principal balance and accrued and unpaid interest and any other amounts I then owe to you under this loan will become immediately due if you desire, without your advising me. If I am required to pay immediately in full as described above, I promise to pay your reasonable attorney's fees not in excess of fifteen percent of the unpaid debt after default if the loan is referred to an attorney, not your employee, for collection and all other reasonable costs and expenses you actually incur in collecting the loan or foreclosing on this Mortgage, to the extent permitted by law. If any money is left over after you foreclose on this Mortgage and deduct such attorney's fees and all other costs and expenses incurred, it will be paid to the persons legally entitled to it, but if any money is still owing, I agree to pay you the balance.

APPOINTMENT OF RECEIVER AND ASSIGNMENT OF RENTS - I agree that you are entitled to the appointment of a receiver in any action to foreclose on this Mortgage and you may also enter the Premises and take possession of them, rent them if the Premises are not already rented, receive all rents and apply them to the obligations secured by this Mortgage. I assign all rents to you but you agree that I may continue to collect the rents unless I am in default under this Mortgage or the Note.

RIGHTS CUMULATIVE - Your rights under this Mortgage will be separate, distinct and cumulative and none of them will be in exclusion of any other nor will any act of yours be considered as an election to proceed under any one provision of this Mortgage to the exclusion of any other provision.

NOTICES - I agree that any notice and demand may be given to me either in person or by mail.

RELEASE - Upon payment of all sums secured by this Mortgage, you shall release the Premises from the lien of this instrument. I shall pay recording costs to the extent permitted by applicable law.

EXTENSIONS AND MODIFICATIONS - Each of the persons signing this Mortgage agrees that no modification, renewal or extension of time or other variation of any obligation secured by this Mortgage will affect any other obligation under this Mortgage.

APPLICABLE LAW - This Mortgage is made in accordance with, and will be governed by, the laws of the State of South Carolina and applicable Federal law.

RECEIPT OF COPY - Each person signing this Mortgage acknowledges receipt of a completed and signed copy of this Mortgage.

BINDING EFFECT - This Mortgage is binding on and inures to your, my and MERS' successors and assigns.

SEE OTHER SIDE FOR ADDITIONAL IMPORTANT TERMS

This instrument as prepared by and upon recording should be returned to:
THE CIT GROUP/CONSUMER FINANCE, INC.
P.O. BOX 616, MARLTON, NJ 08053-3941

[illegible]

[illegible]

Instrument 2003000388216 Volume 310 Page 147

EXHIBIT A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480.

This is that same property which was conveyed to the Mortgagor by deed recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1435, Ridgeland, SC 29936.

Map and Parcel No. 062-00-05-017

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 19TH day of DECEMBER, 2003, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or similar instrument (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Promissory Note (the "Note") to THE CIT GROUP/CONSUMER FINANCE, INC., (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:
1519 TAYLOR MILL RD RIDGELAND, SC 29936
Property Address

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

The Note provides for an initial interest rate of 6.700 %. The Note provides for changes in the interest rate and the monthly payments, as follows. The interest rate I will pay may change on 12/24/05 and on that day every 6 month(s) thereafter. Each date on which my interest rate could change is called a "Change Date."

Beginning with the first Change Date, my interest will be based on an Index. The "Index" is the average of the interbank offered rates for six month U.S. Dollar deposits in the London market based on quotations of 5 major banks (LIBOR), as published in the Wall Street Journal. If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give me notice of this choice. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index." Before each Change Date, the Note Holder will calculate my new interest rate by adding 6.750 % to the Current Index. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. The interest rate I am required to pay at the first Change Date will not be greater than 9.700 % or less than 3.700 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than 1.000 % from the rate of interest I have been paying for the preceeding 6 months. My interest rate will never be greater than 12.700 %. My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again. The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and possibly certain other information as well.

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

ROSEMELLE SHULER (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

12/19/03 08:39 1601401
85-4333 (1/00) Mississippi Adjustable Rate Mortgage Rider - LIBOR

1058

LOST MORTGAGE SATISFACTION

0183625

The debt hereby secured is satisfied is paid in full and the lien of, United States District Court, being same mortgage given by Rosemelle Shuler to Farmers Home Administration, USDA (A/K/A - Rural Development, USDA) in the amount of $23,000.00 dated 12/02/1987 and recorded in the Jasper County Court Office in Mortgage Book 72 at Page 1054 and $8,000.00 date 12/02/1987 recorded in the Jasper County Court Office in Mortgage Book 72 at Page 1054 being the holder and owner thereof. # State of South Carolina

Executed this 22nd day of March 2006, pursuant to delegation of authority appearing in Title 7, Part 1866, Code of Federal Regulations.

IN PRESENCE OF:

Rachel C. Albany
RACHEL C. ALBANY
RD TECHNICIAN

Jacqueline K. Hamilton
JACQUELINE K. HAMILTON
RD ASSISTANT

Devra M. Mizell
DEVRA M. MIZELL (Notary Public)
STATE OF SOUTH CAROLINA
COUNTY OF COLLETON

Catherine M Shuler
CATHERINE M. SHULER
RURAL DEVELOPMENT MANAGER
RURAL DEVELOPMENT, USDA
f/k/a FARMERS HOME
ADMINISTRATON, USDA
COLLETON COUNTY, SC

Return to: 41435212
US Recordings, Inc.
2925 Country Drive Ste 201
St. Paul, MN 55117

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the within named Catherine M. Shuler authorized Area Office Manager for Rural Development, USDA f/k/a Farmers Home Administration, USDA, Colleton County, SC sign the Lost Mortgage Satisfaction and that s/he with the other witness witnessed the execution thereof.

Devra M Mizell
Notary Public for South Carolina
My Commission Expiration
7-21-2015

Rachel C. Albany
RACHEL C. ALBANY

STATE OF SOUTH CAROLINA
COUNTY OF COLLETON

PERSONALLY appeared before me, Catherine M. Shuler, authorized Area Office Manager for Rural Development, USDA f/k/a Farmers Home Administration, USDA, Colleton County who being duly sworn, says that Rural Development, USDA f/k/a Farmers Home Administration, USDA, Colleton County is the bona fide owner and holder of the above mortgage, and that the same has not been assigned, hypothecated or otherwise disposed of, and that the same has been lost or destroyed and after diligent search cannot be found.

SWORN to before me this 22nd day of March, 2006.

Devra M Mizell
Notary Public for South Carolina
My Commission Expiration:
7-21-2015

Catherine M Shuler
RURAL DEVELOPMENT MANAGER

200800001198 02/26/2008 AT 03:01 PM
OR Volume 0640 Page 0186 - 0187
Filed for Record in JASPER COUNTY
Satisfaction Fee: $5.00

Exhibit A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S. C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S., dated May 2, 1983, and recorded in the office of the Clerk's of Court for Jasper County, South Carolina.

Being all and the same lands and premises conveyed to Rosemelle M. Shuler, by deed from Henrietta Perry, of 1/9th interest, Recorded 06/21/2001 in Book 238, Page 249 of the Jasper County Register of Deeds.

Being all and the same lands and premises conveyed to Rosemelle M. Shuler, by deed from United States of America, Department of Agriculture, 7/9th interest, Recorded 12/02/1987 in Book 92, Page 750 of the Jasper County Register of Deeds.

Tax ID: 062-00-05-017

U41435212-01N102
LOST MTG BATIS
US Recordings

TC 6183625

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN SATISFACTION

W-131-S
(Rev. 3/21/07)
2051

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843) 852-3600
Tax Lien Number: 3-50848736-0

File Number: 25394175
Period Covered: 09/06 - 09/06

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

200700005999 10/15/2007 AT 09:34 AM
OR Volume 0597 Page 0059 - 0059
Filed for Record in JASPER COUNTY
Satisfaction Of Tax Lien Fee: $0.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 09/10/07.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	09/06	03603130-3	06-05-07	239.00	311.86	18.16	569.02

Book 589 Page 67

SUBTOTAL:	569.02
COURT COSTS:	38.45
TOTAL:	$607.47

This tax lien has been SATISFIED by the SC Department of Revenue. Request is made for appropriate entries on your records. SATISFIED 09/27/07.

TXPRC108 72

20511010

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 3/21/07)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843) 852-3600
Tax Lien Number: 3-50848736-0

File Number: 25394175
Period Covered: 09/06 - 09/06

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

200700005519 09/17/2007 AT 09:54 AM
OR Volume 0589 Page 0067 - 0067
Filed for Record in JASPER COUNTY
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 09/10/07.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	09/06	03603130-3	06-05-07	239.00	311.86	18.16	569.02

SUBTOTAL:	569.02
COURT COSTS:	38.45
TOTAL:	$607.47

TXPRC108 322

20471017

EXHIBIT
"B"

6/8/15 2:32 called Aqua Loan Servicing Linda spoke with Diane said she will see

PHONE CALL

FOR GWC DATE 6/5/15 TIME 2:30 A.M. P.M.
M Lee Locke, Esq
OF Aqua Loan Servicing
PHONE (601) 351-2464 CELL
MESSAGE Shuler / Bush
1st Lien Holder
1519 Taylor Mill Rd.
SIGNED LCL OVER

- ✓ TELEPHONED
- RETURNED YOUR CALL
- ✓ PLEASE CALL
- WILL CALL AGAIN
- CAME TO SEE YOU
- WANTS TO SEE YOU

6/16/15 11:50 called Sean O'Connor, Atty in Charleston is their atty in S.C.
(843) 577-5460

PHONE CALL

FOR GWC DATE 7/2/15 TIME 2:08 A.M. P.M.
M Shawn O'Connor - Atty
OF Finkle 843) 576-6304
PHONE SOCONNOR@Finklelaw.com
MESSAGE Re: BOW -v-
Bush / Shuler
Lien Position
SIGNED LCL

- ✓ TELEPHONED
- RETURNED YOUR CALL
- ✓ PLEASE CALL
- WILL CALL AGAIN
- CAME TO SEE YOU
- WANTS TO SEE YOU

MERS000200

George Cone

From: Sanasam, Lucita <Lucita.Sanasam@ocwen.com>
To: George Cone
Sent: Wednesday, May 20, 2015 11:07 AM
Subject: Read: Loan # 7141227947; property address: 1519 Taylor Mill Rd

Your message

To: Sanasam, Lucita
Subject: FW: Loan # 7141227947; property address: 1519 Taylor Mill Rd
Sent: Wednesday, May 20, 2015 11:06:38 AM (UTC-05:00) Eastern Time (US & Canada)

was read on Wednesday, May 20, 2015 11:06:48 AM (UTC-05:00) Eastern Time (US & Canada).

George Cone

From: George Cone <gwc@mfclawfirm.com>
Sent: Wednesday, May 20, 2015 11:06 AM
To: 'Lucita.Sanasam@ocwen.com'
Cc: Linda Jordan (linda@mfclawfirm.com)
Subject: FW: Loan # 7141227947; property address: 1519 Taylor Mill Rd
Attachments: Doc_19147648_05122015075506.pdf; Linda C Jordan.vcf

Ms. Sanasam
Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. was served in 2013 with a foreclosure action brought by Bank of Walterboro and has been declared to be in default by the Court. This is the final hearing on that foreclosure. You should advise Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. to seek advice of counsel at once. The final hearing is scheduled for 2:00 PM today, May 20, 2014 as stated in the Notice you received.

George W. Cone, Esq.

McLeod Fraser & Cone LLC
111 East Washington Street
P O Box 230
Walterboro, SC 29488
telephone 843/549-2516
telecopier 843/549-2307
email gwc@mfclawfirm.com

MERS000202

INTERNET EMAIL CONFIDENTIALITY FOOTER

The information contained in this message is attorney-client and/or attorney/work product privileged and/or confidential. It is intended only for the use of the individual or entity named as addressee in this message. No privilege is waived by virtue of this message having been sent by email. If the person receiving this message or any other reader of this message is not the intended recipient or the employee or agent responsible for the delivery of this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, you should destroy this message (including attachments), and notify us immediately. Thank you.

IRS CIRCULAR 230 DISCLOSURE

To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein. Any such advice may not be forwarded (other than within the taxpayer to which it has been sent or to the taxpayer which it references) without our express written consent.

McLeod Fraser & Cone LLC, Attorneys, 111 East Washington Street, P.O. Box 230, Walterboro, SC 29488
email: attorneys@mfclawfirm.com

Think Green. Print Responsibly.

From: Linda [mailto:linda@mfclawfirm.com]
Sent: Wednesday, May 20, 2015 10:45 AM
To: George Cone
Subject: FW: Loan # 7141227947; property address: 1519 Taylor Mill Rd

---

From: Sanasam, Lucita [mailto:Lucita.Sanasam@ocwen.com]
Sent: Tuesday, May 19, 2015 6:03 PM
To: LINDA@MFCLAWFIRM.COM
Subject: Loan # 7141227947; property address: 1519 Taylor Mill Rd

Hi Linda,

We have received notice from your law firm regarding foreclosure lien on the subject property.

Please find the attached file page 6-9 and provide us more detail what needs to be done from escrow company

Note: Ocwen is servicing this property and its escrow with us for taxes.

Thanks & Regards
Lucita Sanasam
1800-280-3863 Ext: 65101
Fax # 561-682-8880
Lucita.Sanasam@ocwen.com

****
**
This E-mail message and any attachments are intended solely for the use of the addressee hereof and may contain information that is confidential, privileged and/or exempt from disclosure under applicable law. Delivery of this message to any person other than the intended recipient shall not constitute a waiver of any right, privilege or exemption. If you are not the intended recipient, please immediately notify the sender by reply E-mail and permanently delete this message from your system without reproducing or disclosing it to any third party. While Ocwen Financial Corporation and its subsidiaries take reasonable precautions to prevent transmission of software viruses, we cannot guarantee the same and we therefore disclaim liability for any damage sustained by you or any third party as a result thereof.
****
**

Linda

From: Sanasam, Lucita <Lucita.Sanasam@ocwen.com>
Sent: Tuesday, May 19, 2015 6:02 PM
To: LINDA@MFCLAWFIRM.COM
Subject: Loan # 7141227947; property address: 1519 Taylor Mill Rd

Hi Linda,

We have received notice from your law firm regarding foreclosure lien on the subject property.

Please find the attached file page 6-9 and provide us more detail what needs to be done from escrow company

Note: Ocwen is servicing this property and its escrow with us for taxes.

Thanks & Regards
Lucita Sanasam
1800-280-3863 Ext: 65101
Fax # 561-682-8880
Lucita.Sanasam@ocwen.com

****
**
This E-mail message and any attachments are intended solely for the use of the addressee hereof and may contain information that is confidential, privileged and/or exempt from disclosure under applicable law. Delivery of this message to any person other than the intended recipient shall not constitute a waiver of any right, privilege or exemption. If you are not the intended recipient, please immediately notify the sender by reply E-mail and permanently delete this message from your system without reproducing or disclosing it to any third party. While Ocwen Financial Corporation and its subsidiaries take reasonable precautions to prevent transmission of software viruses, we cannot guarantee the same and we therefore disclaim liability for any damage sustained by you or any third party as a result thereof
****
**

PHONE CALL

FOR Linda / George DATE May 19, 2015 TIME 2:40 A.M. P.M.
M Loan Servicing / Lucita
OF
PHONE 800-280-3863 CELL Ext. 64953
MESSAGE Rosemelle Shuler
Ref# 7141227947
MFC File # 34756
SIGNED ME

- [X] TELEPHONED
- [ ] RETURNED YOUR CALL
- [X] PLEASE CALL
- [ ] WILL CALL AGAIN
- [ ] CAME TO SEE YOU
- [ ] WANTS TO SEE YOU

5/19/15 - 3:43 No Ans. dept

Dear Member:

You are being sent this document because you are listed as the current Servicer and/or Investor on the MERS® System or MERS® Commercial for the mortgage loan(s) that are the subject of this document. If you believe that you have received this document in error, please contact the MERSCORP Holdings, Inc. ("MERSCORP Holdings") Help Desk at 888-680-6377.

If you no longer have an interest in the mortgage loan(s) that are the subject of this document, and have transferred your interest(s) to another Member, pursuant to the Procedures Manual, you are required to forward this document to that Member and you must also ensure that the MERS® System or MERS® Commercial is updated to reflect the transfer(s).

Please note that the MERSCORP Holdings Law Department may request additional information about this legal filing or action.

Pursuant to the MERS® System Rules of Membership, regardless of whether a Member, MERSCORP Holdings and/or Mortgage Electronic Registration Systems, Inc. ("MERS") defended a member indemnified claim or none of these entities defended such claim, and regardless of whether MERSCORP Holdings and/or MERS had notice of the member indemnified claim, if a judgment is entered against MERSCORP Holdings and/or MERS, for such claim, the Member shall either pay the full amount of the judgment, or promptly post a surety bond, letter of credit, or the equivalent that is acceptable to the court, for the amount of the judgment pending: 1) any motions to set aside or vacate the judgment; 2) appeal of the judgment; or 3) any challenges made by either the Member or MERSCORP Holdings and/or MERS, to the judgment. It is the Member's responsibility (i) to pay the amount of the judgment and any other related indemnified payments on behalf of MERSCORP Holdings and/or MERS, and (ii) if MERSCORP Holdings and/or MERS defends against the enforcement of a judgment (which MERSCORP Holdings and/or MERS shall have the right to do in its discretion after notice to the Member), the Member shall promptly reimburse MERSCORP Holdings and/or MERS for the amount of the indemnified payments related to such defense.

Document ID : 19147648
ICN # : CT527091451
MemberID : 1000223
MIN : 100122200002595111
Borrower Information :
Funds Information :

CT Corporation

Service of Process Transmittal
05/11/2015
CT Log Number 527091451

TO: Pamela Ray
MERSCORP Holdings, Inc.
1901 E Voorhees St Ste C, Mers Mailroom
Danville, IL 61834-4512

RE: **Process Served in Delaware**

FOR: Mortgage Electronic Registration Systems, Inc. (Domestic State: DE)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

TITLE OF ACTION:	Bank of Walterboro, Pltf. vs. Charles E. Bush, etc., et al. including Mortgage Electronic Registration Systems, Inc., etc., Dfts.
DOCUMENT(S) SERVED:	Notice, Certificate
COURT/AGENCY:	Jasper County Court of Common Pleas Court, SC Case # 2013CP2700253
NATURE OF ACTION:	Foreclosure Litigation - Mortgage - Notice of Hearing with Finality
ON WHOM PROCESS WAS SERVED:	The Corporation Trust Company, Wilmington, DE
DATE AND HOUR OF SERVICE:	By Regular Mail on 05/11/2015 postmarked on 05/06/2015
JURISDICTION SERVED:	Delaware
APPEARANCE OR ANSWER DUE:	05/20/2015 at 2:00 p.m.
ATTORNEY(S) / SENDER(S):	George W. Cone McLeod, Fraser & Cone LLC 111 East Washington Street Post Office Box 230 Walterboro, SC 29488 843-549-2516
ACTION ITEMS:	CT has retained the current log, Retain Date: 05/11/2015, Expected Purge Date: 05/16/2015 Image SOP
SIGNED: **ADDRESS:** **TELEPHONE:**	The Corporation Trust Company 1209 Orange Street Wilmington, DE 19801 302-658-7581

Information displayed on this transmittal is for CT Corporation's record keeping purposes only and is provided to the recipient for quick reference. This information does not constitute a legal opinion as to the nature of action, the amount of damages, the answer date, or any information contained in the documents themselves. Recipient is responsible for interpreting said documents and for taking appropriate action. Signatures on certified mail receipts confirm receipt of package only, not contents.

CT Corporation

Service of Process Transmittal
05/11/2015
CT Log Number 527091451

TO: Pamela Ray
MERSCORP Holdings, Inc.
1901 E Voorhees St Ste C, Mers Mailroom
Danville, IL 61834-4512

RE: **Process Served in Delaware**

FOR: Mortgage Electronic Registration Systems, Inc. (Domestic State: DE)

DOCKET HISTORY:

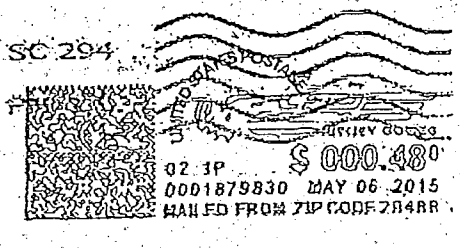
DOCUMENT(S) SERVED:	DATE AND HOUR OF SERVICE:	TO:	CT LOG NUMBER:
Notice, Certificate	By Regular Mail on 10/23/2014 postmarked on 10/15/2014	Pamela Ray MERSCORP Holdings, Inc.	525937252
Certificate of Service, Notice	By Regular Mail on 09/19/2014 postmarked on 09/16/2014	Pamela Ray MERSCORP Holdings, Inc.	525729013
Letter, Coversheet, Attachment(s), Proof of ADR or Exemption, Notice, Summons, Complaint, Exhibit(s), Verification, Acceptance(s) of Service, Certificate of Service, Reply Envelope with Postage	By Certified Mail on 05/28/2013 postmarked on 05/23/2013	Cutberto Lechuga MERSCORP Holdings, Inc.	522799025

Information displayed on this transmittal is for CT Corporation's record keeping purposes only and is provided to the recipient for quick reference. This information does not constitute a legal opinion as to the nature of action, the amount of damages, the answer date, or any information contained in the documents themselves. Recipient is responsible for interpreting said documents and for taking appropriate action. Signatures on certified mail receipts confirm receipt of package only, not contents.

MCLEOD FRASER & CONE LLC
Attorneys at Law
P.O. Box 230
Walterboro, S.C. 29488

CHARLESTON SC 294

06 MAY 2015



The Corporation Trust Company as
Registered Agent for Mortgage Electronic
Registration Systems, Inc.
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

19801$1195

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
Plaintiff,	)	
vs.	)	NOTICE OF HEARING WITH FINALITY
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
Defendants.	)	

MFC File #34756-12-L

TO: R. THAYER RIVERS, JR., ATTORNEY FOR ROSEMELLE M. SHULER, DEFENDANTS CHARLES E. BUSH AKA CHARLES BUSH, FIRST FAMILY FINANCIAL SERVICES OF GEORGIA, INC., EQUIFIRST CORPORATION, MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR BNC MORTGAGE, INC.:

YOU WILL PLEASE TAKE NOTICE THAT a hearing with finality will be held in the above matter by the Honorable Darrell Thomas Johnson, Jr., Jasper County Special Referee, at his office located at 300 Main Street, Hardeeville, SC 29927, in Jasper County, South Carolina on Wednesday, May 20, 2015, at 2:00 p. m. and that said Special Referee is authorized to enter a final judgment in the case.

MFC

IF YOU ARE NOT PRESENT, THE PLAINTIFF MAY BE AWARDED THE RELIEF PRAYED FOR WITHOUT YOUR CONSENT OR APPROVAL. BE PRESENT IF YOU BE SO MINDED.

George W. Cone, SC BAR #1354
McLeod Fraser & Cone LLC
111 E. Washington Street
Post Office Box 230
Walterboro, SC 29488
Telephone (843) 549-2516
Attorneys for Plaintiff

May 6th, 2015
Walterboro, South Carolina

MFC
#7

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
Plaintiff,	)	
vs.	)	Certificate of Service By Mailing
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
Defendants.	)	

MFC File #34756-12-L

I hereby certify that a copy of the documents set forth below were served by me on counsel or party listed below by mailing a copy of same, postage prepaid and properly addressed, and deposited in the United States Post Office at Walterboro, South Carolina on this the 6th day of May, 2015.

DOCUMENT(S) SERVED: COPY OF NOTICE OF HEARING WITH FINALITY

COUNSEL SERVED:

R. Thayer Rivers, Jr.
Attorney at Law
252 Russell Street
P.O. Box 668
Ridgeland, SC 29936
Attorney for Rosemelle M. Shuler

PARTIES SERVED:

Charles E. Bush aka
Charles Bush
390 Church Street
Hardeeville, SC 29927

C T CORPORATION SYSTEM as Registered Agent
for First Family Financial Services, Inc.,
successor by merger to First Family Financial
Services of Georgia, Inc.
2 Office Park Court
Columbia, S.C. 29223

CT CORPORATION SYSTEM as Registered Agent
for EquiFirst Corporation
150 Fayetteville Street, Box 1011
Raleigh, North Carolina 27601

The Corporation Trust Company as
Registered Agent for Mortgage Electronic
Registration Systems, Inc.
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

Darrell Thomas Johnson, Jr., LLC
Special Referee
300 Main Street
P.O. Box 1125
Hardeeville S.C. 29927

Linda C. Jordan

SWORN to before me this

6 day of May, 2015.

(SEAL)
Notary Public for South Carolina
My commission expires:: 6/7/16

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	SUMMONS
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	
Defencants.	)	

FILED MAY 13 AM 9:16
JASPER COUNTY CLERK OF COURT

TO THE DEFENDANTS ABOVE NAMED:

YOU ARE HEREBY SUMMONED and required to reply to the Complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your answer to the said Complaint on the Plaintiff, or its attorney, George W. Cone at his office at 111 E. Washington Street, P. O. Box 230, Walterboro, South Carolina 29488, within thirty (30) days after the service hereof, exclusive of the day of such service; and, if you fail to answer the Complaint within the time aforesaid the Plaintiff in this action will apply to the Court for the relief demanded in the Complaint and/or judgment by default will be rendered against you for the relief demanded in the Complaint.

George W. Cone, SC Bar No 1354
McLEOD FRASER & CONE LLC
111 E. Washington Street
P.O. Box 230
Walterboro, SC 29488
843/549-2516
Attorneys for Plaintiff

May 10, 2013
Walterboro, S. C.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. THIS STATEMENT APPLIES TO ANY COMMUNICATION WITH THE FIRM.

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	COMPLAINT
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-~~00~~ 353
	)	
Defendants.	)	

MFC File #34756-12-L

Plaintiff above named, complaining of the Defendants above named would show this Honorable Court:

1. Plaintiff is a banking corporation organized and existing under the laws of the State of South Carolina.

2. On information and belief the Defendants Charles E. Bush and Rosemelle M. Shuler are residents of the County of Jasper, State of South Carolina; and the Defendant Charles E. Bush is also known as and one and the same person as Charles Bush.

3. The lands hereinafter described are located in the County of Jasper, State of South Carolina.

4. Defendants Charles E. Bush and Rosemelle M. Shuler are not in the military service of the United States of America.

5. On or about March 1, 2007, Defendants Charles E. Bush and

Rosemelle M. Shuler, executed and delivered to Plaintiff, their certain note (loan # **19026466**) in writing wherein and whereby they promised to pay to Plaintiff or order the sum of Sixty-nine Thousand Three Hundred Two and 00/100 Dollars ($69,302.00) in installments. In order to better secure to Plaintiff the payment of said debt, the said Defendants Charles E. Bush aka Charles Bush and Rosemelle M. Shuler, on March 1, 2007, made, executed and delivered to Plaintiff their certain deed in writing wherein and whereby they conveyed by way of mortgage to Plaintiff, Bank of Walterboro, the following described real estate with improvements thereon situate in Jasper County, South Carolina and described in said mortgage substantially as follows:

PARCEL A: (PURCHASE MONEY MORTGAGE)

ALL that certain piece, parcel or lot of land, situate, lying and being in the county of Jasper, State of South Carolina, and being known and designated as **Lot B** of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R. L. Sensenbach, R.L.S., which is recorded in Plat Book 12 at Page 453, in the Office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of Two Hundred Fifty (250.0') feet by Lot C, of said subdivision; On the Northeast for a distance of One Hundred Twenty (120.0') feet by the right-of-way of a paved fifty-foot (50') street; On the Southeast for a distance of Two Hundred Fifty (250.0') feet by Lot A of said subdivision; and On the Southwest for a distance of One Hundred Twenty (120.0') feet by lands of P. A. Nimmer.

Subject to Restrictions and Covenants which are recorded in Deed Book 68 at Page 211 in the Office of the Clerk of Court for Jasper County, South Carolina

This being the same property conveyed to Rosemelle M. Shuler and Charles Bush by deed of Tracy R. Cleland dated March 1, 2007 and recorded October 29,2007, in Deed Book

602 at Page 74, in the Office of the Clerk of Court for Jasper County, South Carolina. Charles Bush, one of the Grantee's in that deed is also known as and one and the same person as Charles E. Bush.

TMS # 046-32A-03-008

PARCEL B:

ALL that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing One (1.00) acre, and being bounded and described as follows: On the Northeast for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; On the Southeast for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by a fifty (50') foot street; On the Southwest for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by the right-of-way of S.C. Hwy. S-175; and On the Northwest for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue;

For a more particular description, reference is asked to that plat by Forrest F. Baughman, R.L.S. dated May 2, 1983 and recorded in Plat Book 16 at Page 480 in the Office of the Clerk of Court for Jasper County, South Carolina.

This being the same tract conveyed an interest was conveyed to Rosemelle M. Shuler by deed of the United States of America, Department of Agriculture dated December 2, 1987 and recorded December 2, 1987 in Deed Book 92 at page 750, in the Office of the Clerk of Court for Jasper County, South Carolina; and the same property in which an interest was conveyed to Rosemelle M. Shuler by quitclaim deed of Henrietta Perry dated June 7, 2001 and recorded June 21, 2001 in Deed Book 238 at page 249 in the Office of the Clerk of Court for Jasper County, South Carolina.

TMS # 062-00-05-017

Said Mortgage being duly recorded on October 29, 2007, in Deed/Mortgage Book 0602 at Page 77 in the Office of the Clerk of Court for Jasper County, South Carolina.

6. A copy of said note and mortgage are hereunto attached, marked Exhibits "A" and "B" respectively, and made a part and parcel hereof, and all of the terms and provisions thereof are herein pleaded and incorporated by reference.

7. Said mortgage constitutes a Purchase Money Mortgage as to Parcel A described above.

8. On or about ~~March 1, 2007~~ May 27, 2009, Defendants Charles E. Bush and Rosemelle M. Shuler, executed and delivered to Plaintiff, their certain renewal note (loan # 19029014) in writing wherein and whereby they promised to pay to Plaintiff or order the sum of Sixty-nine Thousand One Hundred Eighty-six and 92/100 Dollars ($69,186.92) in installments and a copy of said renewal note is hereunto attached, marked Exhibits "C", and made a part and parcel hereof, and all of the terms and provisions thereof are herein pleaded and incorporated by reference.

9. Default has been made in the payment of said note as renewed and mortgage according to the terms thereof, and the entire amount of the said indebtedness is due and payable.

10. Upon information and belief, the Defendant, **FIRST FAMILY FINANCIAL SERVICES OF GEORGIA, INC.** is a corporation not organized under the laws of the State of South Carolina but subject to the jurisdiction of this Court and may have or claim to have some interest in or lien on Parcel B described above which is the subject of this action by virtue of and as evidenced by the following:

> Mortgage from Rosemelle W. Shuler to First Family Financial Services of Georgia, Inc. dated March 27, 1998 and recorded in M.R.E. Book 148 at page 112, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "D", and made a part and parcel hereof and incorporated by reference;

and on information and belief, the interest of First Family Financial Services of Georgia, Inc., including the interest created by the foregoing has been paid in full and satisfied or is subordinate to the interest of Plaintiff.

11. Upon information and belief, the Defendant, EQUIFIRST CORPORATION is a corporation not organized under the laws of the State of South Carolina but subject to the jurisdiction of this Court and may have or claim to have some interest in or lien on Parcel B described above which is the subject of this action by virtue of and as evidenced by the following:

> Mortgage from Rosemelle W. Shuler to EquiFirst Corporation dated June 15, 2001 and recorded June 21, 2001, in M.R.E. Book 213 at page 1, in the Office of the Clerk of Court for Jasper County, South Carolina. a copy of which is hereunto attached, marked Exhibits "E", and made a part and parcel hereof and incorporated by reference;

and on information and belief, the interest of EquiFirst Corporation, including the interest created by the foregoing have been paid in full and satisfied or are subordinate to the interest of Plaintiff.

12. Upon information and belief, the Defendant, MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., is a corporation not organized under the laws of the State of South Carolina but subject

to the jurisdiction of this Court and may, **AS NOMINEE FOR BNC MORTGAGE, INC.**, have or claim to have some interest in or lien on Parcel B described above which is the subject of this action by virtue of and as evidenced by the following:

a. Mortgage from Rosemelle Shuler to Lexington Capital dated May 15, 2006 and recorded June 20, 2006, in M.R.E. Book 439 at page 138, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "F", and made a part and parcel hereof and incorporated by reference;

b. Assignment of Mortgage from Lexington Capital to BNC Mortgage, Inc. dated June 22, 2007 and recorded August 13, 2007, in M.R.E. Book 577 at page 226, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "G", and made a part and parcel hereof and incorporated by reference;

c. Assignment of Mortgage from BNC Mortgage, Inc. to Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. dated June 25, 2007 and recorded August 13, 2007, in M.R.E. Book 577 at page 228, in the Office of the Clerk of Court for Jasper County, South Carolina, a copy of which is hereunto attached, marked Exhibits "H", and made a part and parcel hereof and incorporated by reference;

and on information and belief, the interest of Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc., including the interests created by the foregoing, have been paid in full and satisfied or are subordinate to the interest of Plaintiff.

13. Upon information and belief, the State OF **SOUTH CAROLINA DEPARTMENT OF REVENUE** is a governmental agency organized and existing under the laws of the State of South Carolina and may have or claim to have some interest in or lien on the property which is the subject of this action, by virtue of and as evidenced by some

one or more or all of the following:

a. South Carolina Department of Revenue Tax Lien filed October 15, 2012 in Tax Lien Book 836 at Page 538 in the office of the ROD for Jasper County, South Carolina, a copy of which is attached hereto and marked as Exhibit "I";

b. South Carolina Department of Revenue Tax Lien filed January 19, 2012 in Tax Lien Book 821 at Page 111 in the office of the ROD for Jasper County, South Carolina, a copy of which is attached hereto and marked as Exhibit "J";

c. South Carolina Department of Revenue Tax Lien for Employer Withholding Tax filed February 5, 2010 in Tax Lien Book 784 at Page 789 in the office of the ROD for Jasper County, South Carolina, a copy of which is attached hereto and marked as Exhibit "K";

d. South Carolina Department of Revenue Tax Lien filed January 14, 2010 in Tax Lien Book 783 at Page 508 in the office of the ROD for Jasper County, South Carolina, a copy of which is attached hereto and marked as Exhibit "L";

e. South Carolina Department of Revenue Tax Lien filed April 23, 2009 in Tax Lien Book 735 at Page 261 in the office of the ROD for Jasper County, South Carolina, a copy of which is attached hereto and marked as Exhibit "M";

f. South Carolina Department of Revenue Tax Lien filed January 27, 2009 in Tax Lien Book 718 at Page 186 in the office of the ROD for Jasper County, South Carolina, a copy of which is attached hereto and marked as Exhibit "N";

g. South Carolina Department of Revenue Tax Lien filed January 12, 2009 in Tax Lien Book 715 at Page 243 in the office of the ROD for Jasper County, South Carolina, a copy of which is attached hereto and marked as Exhibit "O";

These South Carolina Department of Revenue Tax Liens and any other South Carolina Tax Liens filed subsequent to October 29, 2007 (the date of the filing of the mortgage being foreclosed herein)

are subordinate to the interest of Plaintiff.

14. Upon information and belief, the Defendant, RICHARD BURTON, is a citizen and resident of the State of Georgia, has submitted himself to the jurisdiction of this Court by filing a legal action in Jasper County, South Carolina, is subject to the jurisdiction of this Court and may have or claim to have some interest in or lien on the property which is the subject of this action by virtue of and as evidenced by a judgment, in an action in the Magistrates Court for Jasper County dated September 10, 2008 and subsequently filed in the Court of Common Pleas for Jasper County, South Carolina, entitled Richard Burton vs. Charlie Bush, Inc. or Charles Bush, Inc and/or Charles Bush (the record is not clear), Civil Action Number 2008-CP-27-625, a copy of which judgment and a subsequently issued Execution on Judgment filed in that judgment roll are attached hereto and marked collectively as Exhibit "P", and said judgment if is against Charles E. Bush aka Charles Bush who is a Defendant in this action is subordinate to the interest of Plaintiff.

15. On information and belief, Jasper County property taxes on the above described property have been paid through 2011; Jasper County property taxes on the TMS 062-00-05-017 as above described for the year 2012 have been paid; Jasper County property taxes on the TMS 046-32A-03-008 as above described for the year 2012 have not been paid and are a lien and are past due and payable; and Jasper County property taxes on the above described property for

the year 2013 are a lien on said property, but are not yet due and payable.

16. Plaintiff is now owner and holder of said note and mortgage and that there is now due, owing and unpaid to Plaintiff on said indebtedness the sum of Sixty-Nine Thousand Five Hundred Forty and 41/100 ($69,540.41) Dollars as of May 9, 2013, together with interest thereon at the rate of Seven and Twenty-five Hundredths (7.2500%) percent per annum from May 9, 2013, and with such further sum or sums as Plaintiff may be forced to pay for taxes and insurance premiums on said property; together with the further sum of Fifteen (15%) percent of the amount due as reasonable attorney's fees, as provided for in said note and mortgage, and for which amounts Plaintiff is entitled to judgment against the defendant.

17. Said mortgage is neither owned, securitized nor guaranteed by Federal National Mortgage Association (Fannie Mae) nor by Federal Home Loan Mortgage Corporation (Freddie Mac). Plaintiff is not a participant in the Home affordable Modification Program (HMP). The mortgaged premises are not the primary residence of the defendant mortgagors.

18. This action should be referred to a Special Referee chosen by this Court to take the testimony, to determine the issues and to make appropriate findings of fact and conclusions of law and with authority to enter a final judgment in this cause and to make such interim and/or supplemental orders as he deems appropriate,

with appeal to the appropriate Appellate Court pursuant to Rule 53, SCRCP, as amended and SC Code Ann. § 14-11-85, as amended, without further consent of Defendants.

WHEREFORE, plaintiff demands:

1. That this action be referred to a Special Referee chosen by this Court to take the testimony, to determine the issues and to make appropriate findings of fact and conclusions of law and with authority to enter a final judgment in this cause and to make such interim and/or supplemental orders as he deems appropriate, with appeal to the appropriate Appellate Court pursuant to Rule 53, SCRCP, as amended and SC Code Ann. § 14-11-85, as amended;

2. That plaintiff immediately have judgment against the defendants Charles E. Bush aka Charles Bush and Rosemelle M. Shuler for the amount due upon said indebtedness, including sums advanced for taxes and insurance, if any, the same to be ascertained under the direction of this Court, plus fifteen (15%) percent of the amount so found to be due as attorneys' fees, plus the costs and expenses of this action;

3. That judgment be entered decreeing that plaintiff's mortgage be foreclosed; the equity of redemption barred, and the mortgaged premises sold, free and clear of any claim by any defendant, under this Court's direction;

4. That the judgment of foreclosure entered herein provide that the proceeds of the sale be applied first, to the payment of the costs and expenses of this action, second, to the liquidation

of the mortgage indebtedness (including attorneys fees) held by plaintiff; and third, that the surplus, if any, be disbursed according to law;

5. That a receiver be appointed by the Court during the pendency of this action, as in said mortgage was provided;

6. That a judgment in favor of Plaintiff against Defendants, Charles E. Bush aka Charles Bush and Rosemelle M. Shuler for any deficiency be entered at the conclusion of this action, unless waived by Plaintiff at the hearing on this matter; and

7. That plaintiff be granted such other and further relief as may be just and equitable and the nature of the cause may require.

George W. Cone, SC Bar No 1354
McLeod Fraser & Cone LLC
111 E. Washington Street
Post Office Box 230
Walterboro, SC 29488
telephone (843) 549-2516

Attorneys for Plaintiff

Walterboro, South Carolina

May 10, 2013

190764

CHARLES E. BUSH; ROSEMELLE M. SHULER 204 FIRST STREET HARDEEVILLE, SC 29927 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.	BANK OF WALTERBORO AT RIDGELAND 398 EAST MAIN STREET POST OFFICE BOX 1285 RIDGELAND, SC 29936 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	Loan Number Date 03-01-2007 Maturity Date 03-01-2008 Loan Amount $ 89,307.00 Renewal Of

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of eighty nine thousand three hundred seven and no/100 Dollars $ 89,307.00

☐ Single Advance: I will receive all of this principal sum on _____. No additional advances are contemplated under this note.

☒ Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On 03-01-2007 I will receive the amount of $ 59,807.00 and future principal advances are contemplated.

Conditions: The conditions for future advances are COMPLETION OF WORK PER DRAW SCHEDULE

☐ Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.

☒ Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 03-01-2007 at the rate of 8.250% per year until 03-01-2008.

☐ Variable Rate: This rate may then change as stated below.

☐ Index Rate: The future rate will be _____ the following index rate: _____

☐ No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.

☐ Frequency and Timing: The rate on this note may change as often as _____. A change in the interest rate will take effect _____.

☐ Limitations: During the term of this loan, the applicable annual interest rate will not be more than _____ % or less than _____ %. The rate may not change more than _____ % each _____.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____

ACCRUAL METHOD: Interest will be calculated on a Actual/365 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

☒ on the same fixed or variable rate basis in effect before maturity (as indicated above).

☐ at a rate equal to _____

☒ LATE CHARGE: If a payment is not made within 10 days after it is due, I agree to pay a late charge of 5.000% of the late amount, with a minimum of $5.00 and a max of $ 10.00

☒ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☒ are not included in the principal amount above: LOAN ORIGINATION $ 850.00 LOAN PROCESSING FEE $ 75.00 FLOOD CERT AND PIXLCY $ 30.00 (2 PROPERTIES)

PAYMENTS: I agree to pay this note as follows:

Monthly payments of accrued interest calculated on the amount of credit outstanding beginning on 04-01-2007 and principal due on 03-01-2008.

ADDITIONAL TERMS:

☒ SECURITY: This note is separately secured by (describe separate document by type and date): 1MRE ON 189 DOGWOOD DRIVE RIDGELAND SC TX MAP #46 32-A-006 AND 2ND MRE 1618 TAYLOR MILL RD RIDGELAND SC TX MAP # 0062-00-15-017

(This section is for your internal use. Failure to list a separate security document does not affect the agreement that secures this note.)

PURPOSE: The purpose of this loan is PURCHASE AND RENOVATE HOUSE

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

Signature for Lender

William Fortier #509

CHARLES E. BUSH

ROSEMELLE M. SHULER

PLAINTIFF'S EXHIBIT 4

DEFINITIONS: As used on page 1, "I," "me" and "my" mean each borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and invitees) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

COMMISSIONS OR OTHER REMUNERATION: I understand and agree that any insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that this rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;

(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and

(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).

(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.

(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.

(4) You may refuse to make advances to me or allow purchases on credit by me.

(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);

(2) obtain official certification of nonpayment (protest); or

(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a preseizure hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	

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200700006328 10/29/2007 AT 01:43 PM
OR Volume 0602 Page 0077 - 0084
Filed for Record in JASPER COUNTY
Mortgage Fee: $14.00

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MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on March 1, 2007
The mortgagor is Rosemelle M. Shuler and Charles Bush
("Borrower"). This Security Instrument is given to
Bank of Walterboro , which is organized and existing
under the laws of South Carolina , and whose address is
P.O. Box 1265, Ridgeland, SC 29936
("Lender"). Borrower owes Lender the Principal sum of Sixty-Nine Thousand Three Hundred Two and no/100
Dollars (U.S. $ 69,302.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on March 1, 2008 . This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns the following described property located in
Jasper County, South Carolina:

SEE EXHIBIT A ATTACHED

which has the address of 186 Hogwood Drive [Street] Ridgeland [City]
South Carolina 29936 ("Property Address");
[Zip Code]

PLAINTIFF'S EXHIBIT 17 B

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TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 *et. seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

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

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

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5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for

the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

22. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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23. **Waivers.** Borrower waives all rights of homestead exemption in the Property. Borrower waives the right to assert any statute providing appraisal rights which may reduce any deficiency judgment obtained by Lender against Borrower in the event of foreclosure under this Security Instrument.

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

25. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

- ☐ Adjustable Rate Rider
- ☐ Condominium Rider
- ☐ 1-4 Family Rider
- ☐ Graduated Payment Rider
- ☐ Planned Unit Development Rider
- ☐ Biweekly Payment Rider
- ☐ Balloon Rider
- ☐ Rate Improvement Rider
- ☐ Second Home Rider
- ☐ Other(s) [specify]

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

Signed, sealed and delivered in the presence of:

Phyllis K. Lyon

Gillian K. Lyon

Charles E. Bush (Seal) - Borrower

Rosemelle M. Shuler (Seal) - Borrower

(Seal) - Borrower

(Seal) - Borrower

STATE OF SOUTH CAROLINA

Before me personally appeared the undersigned witness and made oath that she saw the within named Borrower sign, seal, and as their act and deed, deliver the within written Mortgage; and that she with the other witness witnessed the execution thereof.

Sworn before me this 1st day of March, 2007

Phyllis K. Lyon

Gillian K. Lyon 3/20/2013 (Seal)

Notary Public for South Carolina

[Space Below This Line For Acknowledgment]

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200700006328 OR 0602 0083

EXHIBIT A

All that certain piece, parcel or lot of land, situate, lying and being in the County of Jasper, State of South Carolina, and being known and designated as Lot B of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R.L. Sensenbach, R.L.S., which is recorded in Plat Book 12 at Page 453, in the office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of 250.0' feet by Lot C, of said subdivision; on the Northeast for a distance of 120.0' feet by the right-of-way of a paved fifty-foot street; on the Southeast for a distance of 250.0' feet by Lot A of said subdivision; and on the Southwest for a distance of 120.0' feet by lands of F.A. Nimmer.

SUBJECT, to Restrictions and Covenants which are recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Deed Book 68 at Page 211.

This is that same property which was conveyed to the Grantors by deed recorded in Deed Book 602 at Page 74 in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1435, Ridgeland, SC 29936.

Map and Parcel No. 046-32A-03-008

This mortgage is additional collateral for that certain note dated March 1, 2007 from Rosemelle M. Shuler and Charles Bush to Bank of Walterboro.

Instrument Volume Page
200700006326 OR 0602 0084

EXHIBIT A

All that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing 1.00 acre, and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; on the Southeast for a distance of 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480.

This is that same property which was conveyed to the Mortgagor by deed recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

This mortgage was prepared by the Law Office of Albert L. Kleckley, P.O. Box 1435, Ridgeland, SC 29936.

Map and Parcel No. 052-00-05-017

This mortgage is additional collateral for that certain note dated March 1, 2007 from Rosemelle M. Shuler and Charles Bush to Bank of Walterboro.

BORROWER'S NAME AND ADDRESS	LENDER'S NAME AND ADDRESS	
CHARLES E. BUSH; ROSEMELLE M. SHULER P.O.BOX 1975 HARDEEVILLE, SC 29927	BANK OF WALTERBORO AT RIDGELAND 393 E. MAIN STREET POBOX 1286 RIDGELAND, SC 29936	Loan Number 19029014 Date 05-27-2009 Maturity Date 08-05-2012 Loan Amount $ 89,188.82 Renewal Of 19028368

"I" includes each borrower above, jointly and severally. "You" means the lender, its successors and assigns.

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of SIXTY NINE THOUSAND FIVE HUNDRED EIGHTY SIX AND 82/100 Dollars $ 89,188.82

☑ Single Advance: I will receive all of this principal sum on 05-27-2009. No additional advances are contemplated under this note.

☐ Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of $ _____ and future principal advances are contemplated.

Conditions: The conditions for future advances are _____

☐ Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.

☐ Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 05-27-2009 at the rate of 7.250% per year until 08-05-2012.

☐ Variable Rate: This rate may then change as stated below.

☐ Index Rate: The future rate will be _____ the following index rate: _____

☐ No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.

☐ Frequency and Timing: The rate on this note may change as often as _____. A change in the interest rate will take effect _____.

☐ Limitations: During the term of this loan, the applicable annual interest rate will not be more than _____ % or less than _____ %. The rate may not change more than _____ % each _____.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/365 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

(I) on the same fixed or variable rate basis in effect before maturity (as indicated above).

☐ at a rate equal to _____.

☒ LATE CHARGE: If a payment is not made within 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF $5.00 AND A MAX OF $14.00.

☒ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☒ are ☐ are not included in the principal amount above: $75.00 LOAN PROCESSING FEE AND $30.00 FLOOD CERT FEE

PAYMENTS: I agree to pay this note as follows:

35 MONTHLY PAYMENTS OF 1532.81 BEGINNING 07-05-2009 AND 1 BALLOON PAYMENT OF $61,372.97 ON 08-05-2012.

ADDITIONAL TERMS: (I) SECURITY: FIRST MORTGAGE REAL ESTATE DATED MARCH 1, 2007, ON LOT OF LAND WITH BUILDINGS AND IMPROVEMENTS DESIGNATED AS LOT B OF OAK PARK SUBDIVISION, PHASE II, BEING IN JASPER COUNTY, S.C. TMS#049-32A-03-003 Discharged SL

SECOND MORTGAGE REAL ESTATE DATED MARCH 1, 2007, ON TRACT OF LAND CONTAINING (1.00) ACRES WITH BUILDINGS AND IMPROVEMENTS BEING IN JASPER COUNTY,S.C., RECORDED 10-29-07,BK.602,PG.77. TMS# 082-00-05-017 Jayla MLP Rel

☐ SECURITY: This note is separately secured by (describe separate document by type and date).

(This section is for your internal use. Failure to list a separate security document does not affect the agreement we will receive this note.)

PURPOSE: The purpose of this loan is COMMERCIAL-RENEWAL TO RENOVATE RENTAL PROPERTY & CONVERT TO MONTHLY PAYMENTS

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

Signature for Lender

CHARLES E. BUSH

ROSEMELLE M. SHULER

PLAINTIFF'S EXHIBIT 11

DEFINITIONS: As used on page 1, "I," "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

COMMISSIONS OR OTHER REMUNERATION: I understand and agree that any insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that this rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of docketing when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;

(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and

(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodable land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).

(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.

(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.

(4) You may refuse to make advances to me or allow purchases on credit by me.

(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);

(2) obtain official certification of nonpayment (protest); or

(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a prejudgment hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCED (+)	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	

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1907466

PLAINTIFF'S EXHIBIT 4A

PLAINTIFF'S EXHIBIT 4D

(DEED)

First Family
Financial Services

First Family Financial Services
1100 Ellingsworth Drive
P.O. Box 13150
Savannah, Georgia 31406
912-352-2357
FAX 912-351-8139

148 114

ACKNOWLEDGMENT

STATE South Carolina

COUNTY Jasper

I, Renée P. Steedley, TOOK THE ACKNOWLEDGMENT FROM
NOTARY NAME

Rosemarie M. Shuler IN THE FORM OF PERSONAL IDENTIFICATION:
CUSTOMER NAME

SOUTH CAROLINA DRIVER LICENSE.

Renée P. Steedley
NOTARY
RENÉE P. STEEDLEY
Notary Public, Chatham County, Georgia
My Commission Expires Feb 13, 2000
EXPIRATION DATE

SEAL:

200100026378
Filed for Record in
JASPER COUNTY
MARGARET BUSTICK
06-21-2001 At 04:23 PM.
MORTGAGE 27.00
Value 213 Page 1 - 21

Instrument Values Page
200100026378 813 1

Return To:
Equifirst Corporation
Attn: Collateral Mgmt.
810 Forest Point Circle
Charlotte, NC 28273

Prepared By:
Tracey George
810 Forest Point Circle
Charlotte, NC 28273

042-00-05-017

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MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated June 15, 2001, together with all Riders to this document.
(B) "Borrower" is Rosanelle M. Shuler.

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is EquiFirst Corporation.

Lender is a Corporation
organized and existing under the laws of North Carolina.

PLAINTIFF'S EXHIBIT

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Lender's address is 8120 Forest Point Circle, Charlotte, NC 28227

Lender is the mortgagee under this Security Instrument.
(D) "Note" means the promissory note signed by Borrower and dated June 15, 2001
The Note states that Borrower owes Lender Sixty-six thousand one hundred fifty and Dollars
00/100
(U.S. $ 66,150.00) plus interest. Borrower has promised to pay this debt in regular Periodic
Payments and to pay the debt in full not later than June 20, 2031
(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

[x] Adjustable Rate Rider	[ ] Condominium Rider	[ ] Second Home Rider
[ ] Balloon Rider	[ ] Planned Unit Development Rider	[ ] 1-4 Family Rider
[ ] VA Rider	[ ] Biweekly Payment Rider	[x] Other(s) [specify] Arbitration Rider Add Floor Alder

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
(K) "Escrow Items" means those items that are described in Section 3.
(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

Initials: [illegible]

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(F) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, the following described property located in the County of Beaufort :
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]
See Attached Exhibit A

Parcel ID Number 052-00-05-017 which currently has the address of [Street]
Route 2, Box 25 Taylor Hill Road
Ridgeland [City], South Carolina 29936 [Zip Code]
("Property Address"):

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this

94120

Exhibit A

All that certain piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre and being bounded and described as follows: On the Northeast for a distance of 114.50' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance of 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175, and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particula description, reference is asked to that Plat prepared by Forrest F Haughman, R.L.S., dated May 2, 1983, and recorded in the office of the Clerk of Court for Jasper County, South Carolina.

This is that same property which was conveyed to Rosemelle M. Shuler by deed recorded December 2, 1987, recorded in Deed Book 92 at Page 750 in the office of the Clerk of Court for Jasper County, South Carolina.

Jasper County Tax Map No.: 062-00-03-017

This Mortgage was prepared by the Law Office of David L. Tedder, P.A., Post Office Box 2019, Ridgeland, S.C. 29936.

Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts

due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

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

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one of those of the actions set forth above in this Section 4.

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

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

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument, (b) appearing in court; and (c) paying reasonable

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

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

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

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Homestead Waiver. Borrower waives all rights of homestead exemption in the Property to the extent allowed by Applicable Law.

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

26. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to 150% of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

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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.

Signed, sealed and delivered in the presence of:

Rosemelia M. Bhuler (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

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STATE OF SOUTH CAROLINA,
County of

Personally appeared before me and made oath that he/she saw the within named Borrower sign, seal, and as his/her/their act and deed, deliver the within written Mortgage; and that he/she with , witnessed the execution thereof.

Sworn to before me this 15th day of June, 2001

My Commission Expires: 1/21/2008.

Notary Public for South Carolina

94350

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ADJUSTABLE RATE RIDER to Security Instrument

(LIBOR 6 Month Index - As Published in *The Wall Street Journal* - Rate Caps)

(To Be Recorded Together with Security Instrument)

THIS ADJUSTABLE RATE RIDER is made this 15th day of June, 2001 and incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to EquiFirst Corporation (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

Route 3, Box 25 Taylor Mill Road, Ridgeland, SC 29936
(property address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM AND MINIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS.

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 10.000 %. The Note provides for changes in the interest rate and the monthly payment as follows:

(A) Change Dates

The interest rate I will pay may change on July 01, 2001 and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding 7.350 percentage points (7.350 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 13.000% or less than 10.000%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one percentage point(s) (1.00%) the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 16.000 % or less than the initial interest rate provided for in Section 2 of this Note.

94150
E7061 (1/99)

Return To:

LEXINGTON CAPITAL
3 IMPERIAL PROMENADE #100
SANTA ANA, CA 92707

2006000002957
Filed for Record in
JASPER COUNTY
PATSYE M GREENE
06-20-2006 At 03:48 pm.
MORTGAGE 24.00
OR Volume 439 Page 138 - 155

Prepared By:

[Space Above This Line For Recording Data]

MORTGAGE

Loan No.: CORNPB1883

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated May 15, 2006, together with all Riders to this document.
(B) "Borrower" is ROSEMELLE SHULER.

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is LEXINGTON CAPITAL.

Lender is a CORPORATION
organized and existing under the laws of CALIFORNIA

2006000002957
NLECKLEY

PLAINTIFF'S EXHIBIT "F"

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Lender's address is 3 IMPERIAL PROMENADE #100, SANTA ANA, CA 92707

Lender is the mortgagee under this Security Instrument.
(D) "Note" means the promissory note signed by Borrower and dated May 15, 2006
The Note states that Borrower owes Lender one hundred two thousand eight hundred and 00/100 Dollars
(U.S. $ 102,800.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than June 1, 2036
(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☒ Balloon Rider	☐ Planned Unit Development Rider	☐ 1-4 Family Rider
☐ VA Rider	☐ Biweekly Payment Rider	☐ Other(s) [specify]

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
(K) "Escrow Items" means those items that are described in Section 3.
(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

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(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, the following described property located in the

COUNTY of JASPER, SOUTH CAROLINA
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERETO AS EXHIBIT A.

Parcel ID Number:
1519 TAYLOR MILL RD
RIDGELAND
("Property Address"):

which currently has the address of [Street]
[City], South Carolina 29936 [Zip Code]

TO HAVE AND TO HOLD this property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this

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Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts

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due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

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

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

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lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

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the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

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attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

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(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

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12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

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

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

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

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16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

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requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding (two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Homestead Waiver. Borrower waives all rights of homestead exemption in the Property to the extent allowed by Applicable Law.

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

26. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to 150% of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

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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.

Signed, sealed and delivered in the presence of:

ROSEMELLE SHULER (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

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STATE OF SOUTH CAROLINA,
County of Jasper

Personally appeared before me Teresa Hope and made oath that he/she saw the within named Borrower sign, seal, and as his/her/their act and deed, deliver the within written Mortgage; and that he/she with Gillie Burke witnessed the execution thereof.

Teresa Hope

Sworn to before me this 15 day of May 2006

My Commission Expires: 3/20/2013

Gillie Burke
Notary Public for South Carolina

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LEXINGTON CAPITAL
3 IMPERIAL PROMENADE #100
SANTA ANA, CA 92707

[Space Above This Line For Recording Data]

LOAN #: CORNP31883

Balloon Rider

THIS BALLOON RIDER is made this 15th day of May, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note (the "Note") to LEXINGTON CAPITAL (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1519 TAYLOR MILL RD, RIDGELAND, SC 29936
[Property Address]

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

ADDITIONAL COVENANTS. In addition to the covenants and agreements in the Security Instrument, Borrower and Lender further covenant and agree as follows (despite anything to the contrary contained in the Security Instrument or the Note):

THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE LENDER YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER.

Instrument Volume Page
200600002957 OR 439 154

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

ROSEMELLE SHULER -Borrower — 5-15-06 Date

-Borrower — Date

-Borrower — Date

-Borrower — Date

-Borrower — Date

-Borrower — Date

Instrument 2006000002957 OR Volume 439 Page 155

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

This is that same property which was conveyed to Rosemelle M. Shuler by deed recorded in Deed Book 92 at Page 750 on December 2, 1987, and Deed Book 238 at Page 249 on June 21, 2001, in the office of the Clerk of Court for Jasper County, South Carolina.

Map and Parcel No. 062-00-05-017

Recording Requested By:
BNC Mortgage, Inc.
When Recorded, Return To:
BNC Mortgage, Inc., Attn: H. Martinez
1901 Main St., #150, Irvine, CA 92614

200700004832 08/13/2007 AT 12:14 PM
OR Volume 0577 Page 0226 - 0227
Filed for Record in JASPER COUNTY
Assignment Fee: $7.00

Order No.
Escrow No.
Loan No. CORNFB188!

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assignment of Mortgage

FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to

BNC MORTGAGE, INC.
1901 MAIN ST., IRVINE, CA 92614

all of the undersigned's right, title and interest in, to and under that certain Mortgage dated May 15, 2006 executed by ROSEMELLE SHULER, as mortgagor, to LEXINGTON CAPITAL, as mortgagee, whose mailing address is P.O. BOX 19656 IRVINE, CALIFORNIA 91623-9656

and recorded either
☐ concurrently herewith or **200600002957
☒ as Instrument No. ~~200602957~~ ** on 06/20/06 in book 439 , page 138 ,
in the official records of JASPER 06 County, State of South Carolina, describing land therein as:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERETO AS EXHIBIT A.

TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Mortgage.

STATE OF CALIFORNIA SS:
COUNTY OF ORANGE

On June 22, 2007 before me,

personally appeared Xeni Polymeropoulos

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

WITNESS my hand and official seal.

Signature Elizabeth P. R. Buttelwick

ELIZABETH P. R. BUTTELWICK
COMM. # 1573134
NOTARY PUBLIC-CALIFORNIA
Orange County
Comm. Expires May 16, 2011

LEXINGTON CAPITAL

XENI POLYMEROPOULOS
CEO

Witness

Witness

SOUTH CAROLINA (REV. 01/01)

PLAINTIFF'S EXHIBIT G

EXASSIGN

Instrument		Volume	Page
200700004832	OR	0577	0227

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. datec. May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

Recording Requested By:
BNC Mortgage, Inc.
When Recorded, Return To:
BNC Mortgage, Inc., Attn: H. Martinez
1901 Main St, #150, Irvine, CA 92614

2007000004833 08/13/2007 AT 12:14 PM
OR Volume 0577 Page 0228 - 0229
Filed for Record in JASPER COUNTY
Assignment Fee: $7.00

Order No.
Escrow No.
Loan No. CORNPB1881

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assignment of Mortgage

FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ITS SUCCESSORS AND ASSIGNS AS NOMINEE FOR BNC MORTGAGE, INC., ITS SUCCESSORS AND ASSIGNS, P.O. BOX 2026, FLINT, MI 48501

all of the undersigned's right, title and interest in, to and under that certain Mortgage dated May 15, 2006 executed by ROSEMILLE SHULER, as mortgagor, to LEXINGTON CAPITAL, as mortgagee, whose mailing address is P.O. BOX 19656 IRVINE, CALIFORNIA 92623-9656

and recorded either
☐ concurrently herewith; or
☒ as Instrument No. 2006000002957 on 06/20/2006 in book 439 , page 138 , in the official records of JASPER County, State of South Carolina, describing land therein as:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERETO AS EXHIBIT A.

TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Mortgage.

STATE OF CALIFORNIA SS.
COUNTY OF ORANGE

On June 25, 2007 before me, Dolores Martinez, Notary Public personally appeared Jamie Langford

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

WITNESS my hand and official seal.

Signature

DOLORES MARTINEZ
COMM. # 1466355
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
Comm. Exp. DEC. 15, 2007

BNC Mortgage, Inc., A Delaware Corporation

Jamie Langford
Vice President

Darlene Zoli
Witness

Witness

SOUTH CAROLINA (REV. 01/01)

PLAINTIFF'S EXHIBIT H

SCANNED

Instrument Volume Page
200700004533 OR 0617 0229

EXHIBIT A

All that certain, piece, parcel or tract of land, situate, lying and being in the County of Jasper, State of South Carolina, containing 1.000 acre, and being bounded and described as follows: On the Northeast for a distance 114.50' feet other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue, on the Southeast for a distance 387.47' feet by a fifty (50') foot street; on the Southwest for a distance of 114.50' feet by the right-of-way of S.C. Hwy. S-175; and on the Northwest for a distance of 387.47' feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue.

For a more particular description, reference is asked to that Plat prepared by Forrest F. Baughman, R.L.S. dated May 2, 1983, and recorded in the Office of the Clerk of Court for Jasper County, South Carolina, in Plat Book 16 at Page 480

This Mortgage was prepared by the Law Office of Albert L. Kleckley P.O. Box 1435, Ridgeland, SC 29936.

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 12/16/11)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

Type Owner: SOLE PROPRIETORSHIP
Last name, first, midd e:
BUSH CHARLES E
DBA:

County: JASPER
Contact Number: (843)852-3600
Tax Lien Number: 3-51474141-0
SSN: XXX-XX-3583

File Number: 25394175
Period Covered: 09/11 - 12/11

BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

201200005123 10/15/2012 AT 09:56 AM
OR Volume 0838 Page 0538 - 0538
Filed for Record in JASPER COUNTY ROD
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 10/04/12.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	12/11	1-06630815-8	09-04-12	500.00	645.00	10.13	1,155.13
0809	09/11	1-06630816-5	09-04-12	21.00	27.49	.63	49.12

SUBTOTAL	1,204.25
COURT COSTS:	70.22
TOTAL:	$1,274.47

TXPRC108 1,546

20471025

PLAINTIFF'S EXHIBIT "I"

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 2/22/10)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843)852-3600
Tax Lien Number: 3-51342283-9
SSN: XXX-XX-3583
File Number: 26394175
Period Covered: 12/10 - 03/11

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

201200000277 01/19/2012 AT 11:23 AM
OR Volume 0821 Page 0111 - 0111
Filed for Record in JASPER COUNTY ROD
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If there found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 01/06/12.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	12/10	1-0572 207-9	08-23-11	58.00	75.69	1.92	135.61
0809	03/11	1-0582 1521-1	10-26-11	75.00	97.09	2.05	174.14

SUBTOTAL: 309.75
COURT COSTS: 25.49
TOTAL: $335.24

TXPRC108 1,392

20471025

PLAINTIFF'S EXHIBIT 3

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 2/24/09)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843)852-3600
Tax Lien Number: 3-51112940-0
SSN: XXX-XX-3583
File Number: 25394175
Period Covered: 03/09 - 03/09

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

201000000525 02/05/2010 AT 09:37 AM
OR Volume 0784 Page 0789 - 0789
Filed for Record in JASPER COUNTY ROD
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 01/19/10.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	03/09	04769060-3	12-01-09	500.00	650.00	16.93	1,166.93

SUBTOTAL:	1,166.93
COURT COSTS:	68.35
TOTAL:	$1,235.28

TXPRC108 2,398

20471025

PLAINTIFF'S EXHIBIT K

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 2/24/09)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843)852-3600
Tax Lien Number: 3-51102254-7
SSN: XXX-XX-3583
File Number: 25394175
Period Covered: 12/08 - 12/08

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

201000000144 01/14/2010 AT 09:27 AM
OR Volume 0783 Page 0508 - 0508
Filed for Record in JASPER COUNTY ROD
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 12/21/09.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	12/08	04728852-9	11-03-09	500.00	652.50	19.24	1,171.74

SUBTOTAL: 1,171.74
COURT COSTS: 68.59
TOTAL: $1,240.33

TXPRC108 1,064

20471025

PLAINTIFF'S EXHIBIT

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 2/24/09)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843)852-3600
Tax Lien Number: 3-51027704-7
SSN: XXX-XX-3583
File Number: 25394175
Period Covered: 06/08 - 06/08

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

200900004641 04/23/2009 AT 10:00 AM
OR Volume 0735 Page 0261 - 0261
Filed for Record in JASPER COUNTY
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 04/16/09.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	06/08	04397241-9	03-02-09	222.00	288.60	9.63	520.23

SUBTOTAL:	520.23
COURT COSTS:	36.01
TOTAL:	$556.24

TXPRC108 1,138

20471025

PLAINTIFF'S EXHIBIT "M"

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 1/11/08)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843)852-3600
Tax Lien Number: 3-50997758-3
SSN: XXX-XX-3583
File Number: 25394175
Period Covered: 03/08 - 03/08

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

200900000364 01/27/2009 AT 09:08 AM
OR Volume 0718 Page 0186 - 0186
Filed for Record in JASPER COUNTY
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 01/20/09.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	03/08	04299911-4	12-02-08	179.00	232.67	8.38	420.05

SUBTOTAL:	420.05
COURT COSTS:	31.00
TOTAL:	$451.05

TXPRC108 1,126

20471025

PLAINTIFF'S EXHIBIT 11

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX LIEN

W-131
(Rev. 1/11/08)
2047

SID/Suffix: 2034083-000
Tax Type: EMPLOYER WITHHOLDING TAX

County: JASPER
Contact Number: (843)852-3600
Tax Lien Number: 3-50992467-1
SSN: XXX-XX-3563
File Number: 25394175
Period Covered: 12/07 - 12/07

BUSH CHARLES E
BUSH ENTERPRISE
PO BOX 781
HARDEEVILLE SC 29927-0781

200900000084 01/12/2009 AT 10:56 AM
OR Volume 0715 Page 0243 - 0243
Filed for Record in JASPER COUNTY
Tax Lien Fee: $10.00

To: Any authorized representative of the SC Department of Revenue
The party named in this tax lien is liable for the assessed taxes set out below, along with the penalties and interest established by law for failure to pay such taxes when due. Such being established, you are directed by distraint powers to levy upon and sell as is allowed by law so much of the tangible or intangible personal property, rights to such property or choses in action of the party necessary to satisfy the tax, penalty and interest owed by the party, plus the fees, cost and expenses of the levy. If these found assets are not sufficient to satisfy the amount set out in this tax lien, you are directed to seize and sell so much of the real estate of the party as is necessary to satisfy the amount owed.
Dated and signed under the seal of the SC Department of Revenue 01/05/09.

Tax Type: EMPLOYER WITHHOLDING TAX

DIST CODE	PERIOD COVRD	RECEIVABLE NUMBER	DATE ASSESSED	TAX	PENALTY	INTEREST	TOTAL
0809	12/07	04259738-9	11-03-08	170.00	221.85	9.21	401.06

SUBTOTAL:	401.06
COURT COSTS:	30.05
TOTAL:	$431.11

TXPRC108 776

20471025

PLAINTIFF'S EXHIBIT "O"

NO CASH

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)
)
)
)

2008CV271030220
CIVIL CASE NUMBER

IN THE MAGISTRATE'S COURT

JUDGMENT

2008-CP-27-425

Richard Burton
904 Hamilton Court
Savannah, GA 31401

PLAINTIFF(S)

Vs

Charlie Bush Inc.
204 First Street
Hardeeville, SC
29927

DEFENDANT(S)

The issues in this action were tried in the Jasper County Magistrate's Court on July 25, 2008 at which time a Judgment for the Plaintiff, **Richard Burton**, was rendered in the amount of **$5,169.27.**

1. I heard this case on July 25, 2008. The Plaintiff was a driver for hire and worked for the Defendant driving a truck and hauling various materials to various locations.
2. Unfortunately, the Plaintiff and Defendant did not take the fifteen minutes necessary to memorialize their agreement in writing.
3. The Plaintiff contends that he is entitled to 33% of the total amount the Defendant was paid for each load the Plaintiff picked up and delivered.
4. The Defendant contends that he was entitled to 25% off the top and then the Plaintiff is entitled to 33% of the remainder.
5. There also was no written agreement as to who would pay toll fees, although the Plaintiff requests $200 in toll monies he alleges he advanced, although this is not pled in the Complaint.
6. The Defendant admits that he owes to the Plaintiff $1,043.75 which represents his final wages. Plaintiff alleges he is owed $1,501.50 as final wages.
7. The Plaintiff alleges he is owed, in addition to the amount in Paragraph 6 above, the amount of $3,667.77 plus $200 in tolls, plus $800 for a ticket he received for no registration, and further alleges that because the Defendant would not release him from work to attend court he was forced to pay the ticket, for a total of $4667.77. The claim for the $800 for the ticket the Plaintiff paid was not alleged in the Complaint.
8. I find that the Defendant is in default, and while I allowed the Defendant to participate at trial, I cannot consider his testimony as to the verbal agreement that he was to take 25% off of the top of the amount

MY 6

PLAINTIFF'S EXHIBIT "P"

10.7.08

paid for the load. with the Plaintiff receiving 33% of the remaining amount. I allowed the Defendant to testify as to certain amounts paid to and owed to the Plaintiff.

9. I find the Plaintiff is entitled to Judgment against the Defendant in the amount of $5,169.27 which represents the Plaintiff's final payment of wages in the amount of $1501.50 and $3667.77 which represents eight (8%) percent he was not paid by the Defendant as well as the $80 filing fee for a total judgment of $5,249.27..

IT IS THEREFORE ORDERED that the Plaintiff recover from the Defendant(s):

Charlie Bush Inc.

the total amount of **$5,249.27** which includes other relief, if any, as stated below.

Filing Fee	**$80.00**
	$0.00
	$0.00
	$0.00

JUDGE

Ridgeland Magistrate #1
967 West Adams Street Post Office Box 748
Ridgeland, SC 299360165
Phone: (843) 726-7933 Fax: (843) 726-4191

September 10, 2008

3667.77
5169.27
883T.04

3667.77
1501.50
5169.27

MV 6

STATE OF SOUTH CAROLINA)

COUNTY OF JASPER 2009 OCT -2 PM 12:43 Jasper County Common Pleas

CLERK OF COURT 2008CP2700625

JASPER COUNTY, SC

TO THE SHERIFF OF THE COUNTY OF JASPER GREETING:

WHEREAS, Judgment was rendered on October 6, 2008 of an action in the Jasper County Common Pleas between Richard Burton, Plaintiff and Charles Bush, Inc., Defendant in favor of said Richard Burton against the said Charles Bush, Inc & Charles E. Bush for the sum of $5,249.27 Dollars, AND WHEREAS, The said judgment was docketed in your County on May 19, 2009 in the sum of $5,249.27 with interest thereon and the further sum of $5,249.27 Dollars for the costs of suit, is now actually due thereon.

THEREFORE, WE COMMAND YOU, that you satisfy the said judgment out of the personal property of the said judgment debtor within your county; or if sufficient personal property cannot be found, then out of the real property in your county belonging to such judgment debtor on the day when the said judgment was so docketed in your county, or at any time thereafter in whose hands soever the same may be, and duly return this execution according to law to the Clerk of Court of Common Pleas for the county of Jasper. NULLA BONA

SEP 28 2009

For Richard Burton
Against Charles Bush, Inc.

Dated this 22 day of September, 2009

Plaintiff / Plaintiff Attorney

Attest:

Margaret Bostick

Clerk of Court

RECEIVED SEP 22 2009

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STATE OF SOUTH CAROLINA)
) VERIFICATION
COUNTY OF COLLETON)

PERSONALLY appeared before me, Gwendolyn P. Bunton, who, being duly sworn, deposes and says: that she is the President of Bank of Walterboro the Plaintiff in the above entitled action; that she has read the foregoing Complaint and that the same is true and correct of her own knowledge, saving and excepting those matters alleged on information and belief, and as to them, she believes them to be true.

Gwendolyn P. Bunton

Gwendolyn P. Bunton, President
Bank of Walterboro

FILED
2013 MAY 13 AM 9:17
CLERK OF COURT
COLLETON COUNTY, SC

SWORN to before me this
10th day of May, 2013.

Linda C. Carlson (Seal)
Notary Public for South Carolina
My commission expires: 3/3/19

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	CASE NO. 2013-CP-27-00253
BANK OF WALTERBORO, Plaintiff, vs. CHARLES E. BUSH a/k/a CHARLES BUSH, ROSEMELLE M. SHULER, FIRST FAMILY FINANCIAL SERVICES OF GEORGIA, INC., EQUIFIRST CORPORATION, MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR BNC MORTGAGE, INC. AND SOUTH CAROLINA DEPARTMENT OF REVENUE, Defendants.	HEARING RULE 60 MOTION

Given before Special Referee Darrell Thomas Johnson, Jr., in the Law Offices of Darrell Thomas Johnson, Jr., 300 Main Street, Hardeeville, South Carolina on Thursday, July 23, 2015 commencing at 2:30 o'clock p.m.

APPEARANCES

FOR PLAINTIFF

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FOR DEFENDANT

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ALSO PRESENT: Joseph S. Schillizzi

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(None were marked.)

THE COURT: Madam, Court reporter, we are convened here for a Motion Hearing in the matter of the Bank of Walterboro vs. Charles Bush, et al. One of the et al. as being, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage. BNC Mortgage through its able attorney has filed a Rule 60 Motion to re-open a judgement. I will be so presumptuous as to state that based upon the written submissions received by me so far, I am taking judicial notice that the element of meritorious defense has been established sufficiently to satisfy the prong for purposes of the Rule 60 Motion. That is not to say that I am holding that there is a in fact a meritorious defense; I am holding that their, that that prong of the -- of the burden of proof has been satisfied. Were I to be holding, you know, if that's before me I may very well determine that they have an overwhelming meritorious defense, but at this point I'm just saying that that prong seems to have been satisfied. If y'all will then focus on excusable neglect and a timeliness. Yes, sir, Mr. Cone?

MR. CONE: I just want to make sure the record is clarified. You're ruling if they

presented the fact that they were claiming to be a prior mortgage, that would be a meritorious defense, not that they would be successful on that defense?

THE COURT: Yes, sir. I don't think that's before me. I don't think I --

Mr. CONE: Right.

THE COURT: I don't think I have the power to rule that at this stage.

MR. CONE: Right.

THE COURT: But it appears --

MR. CONE: More housekeeping, if you agree?

THE COURT: Okay.

MR. CONE: What issues are we to consider today, I'd ask Plaintiff's counsel?

MR. O'CONNOR: Well, I'd like to be able to present my motion. It's been written and I'm happy to address it.

THE COURT: Okay.

MR. CONE: Which -- which are you --

THE COURT: As I understand it, he has moved to re-open the judgement and be allowed to file an answer; is that, or at least that's what I perceive the Rule 60 --

MR. CONE: Well, that's what I'm trying to

--

MR. O'CONNOR: Yes, sir. To vacate the judgement and -- and to -- to take my client out of default on the grounds that, I'll explain why.

THE COURT: All right.

MR. O'CONNOR: Yes, sir.

THE COURT: And at that point you would, I assume, file an answer and we'd have another hearing and we'd start over?

MR. O'CONNOR: Yes, sir. Take the position, that I mean, you know, we'll get to it. But, I mean, they have a right to foreclose as a junior lien holder, but I mean what's wrong is them saying their lien is superior to ours, which changes everything as I'll explain at length.

THE COURT: Right. I totally understand.

MR. RIVERS: I hope he won't, actually.

MR. CONE: Right.

THE COURT: I fully understand that.

MR. CONE: I want to make sure I understand. He's moving and will address today whether to set aside the Foreclosure Decree signed by this court on May 20th?

THE COURT: Yes, sir.

MR. CONE: And to set aside the Order of

Default and Reference entered in 2014?

MR. O'CONNOR: Yes, sir.

MR. CONE: And, to open the default and allow them to answer?

MR. O'CONNOR: That's correct.

MR. CONE: All right. So all three of those will be addressed today. I just don't want two bites of the apple on the issue.

MR. O'CONNOR: I don't know that the third one was separate and distinct from the first two but, you know, however you want to characterize it in your mind. I don't know that the third one is a separate relief. I think it's redundant or I mean it's - it was already stated in the first two that you put, but that's fine.

MR. CONE: Well, if you set aside the Order of Default and Reference, that wouldn't cure you of being in default.

MR. O'CONNOR: Well, I would -- yes, sir. I would want the order to allow us to, you know, answer within a reasonable time, ten days, whatever. It doesn't, you know, to me that's an administerial part of it, but you know.

MR. CONE: In other words it's going to be addressed today?

MR. O'CONNOR: Yes, sir.

MR. CONE: All right.

THE COURT: In the immortal words of Lee Ray Moody, "it's amazing what you'll find if you read the rules or read the law". But, yeah, I'm going to go back. I would take it for granted that under the Rule 60 you would, if you open the Default you would open the right to plead, but I -- I'm looking at it and I'm not --

MR. CONE: You've got a different rule.

THE COURT: So, you're saying if I grant the rule for the Rule 60 Motion I might have to go back and hear a Rule 56 Motion later?

MR. CONE: I'm just saying if he addresses them all together.

THE COURT: But not Rule 56? What is it?

MR. CONE: Rule 55.

MR. O'CONNOR: Rule 55.

THE COURT: I was close.

MR. CONE: Only a few pages.

MR. O'CONNOR: And then setting aside default is actually 55(c) and then it references 60(b) underneath there, so it's really kind of tied together with 60(b) "for good cause shown Court may set aside an entry of default". But

see that's the reason we're 60(b) is because the judgement of the default has been entered; 55 would be just an entry and not yet a judgement.

THE COURT: Okay.

MR. O'CONNOR: That's my understanding.

THE COURT: All right. Sean?

MR. O'CONNOR: I'm ready to proceed.

THE COURT: Okay. All right.

MR. CONE: No, I have some more housekeeping questions. Are there any objections to this motion being heard today based on the time of its serving, being served?

MR. RIVERS: I have none.

MR. O'CONNOR: It's my motion, so obviously I don't object. I mean, you know, and what I would state to that is, it's in specific compliance with the instructions of the Special Referee when he heard that, my oral motion, you know, emergency motion. When I got on the phone with you and him and Thayer was driving to Beaufort, but I said, "you know, this hearing is tomorrow and this was just, you know, we just became aware of these circumstances, let's postpone the sale so I can file this motion." He said, "okay. I'm going to schedule it for July

23, go ahead and get it filed as soon as possible" and I filed it ten days before today, which was the 13th. So it's timely and I don't think there's any basis for any objections.

MR. CONE: Well, technically it's not timely, but I don't have any objections.

MR. O'CONNOR: Based on what?

MR. CONE: The Rules.

MR. O' CONOR: Well, I mean if you don't have an objection I don't know why we need to argue about it, but I would contend that it's timely and I think the record reflects that.

MR. CONE: Well, Mr. Rivers is here. He represents a separate client.

MR. O'CONNOR: Yes, sir.

THE COURT: Okay.

MR. O'CONNOR: He already said he doesn't have an objection.

MR. RIVERS: I objected to the whole thing to start with. I do not object to this.

THE COURT: But you, you're not making an issue of whether it's been nine days or ten days?

MR. RIVERS: No.

THE COURT: Okay. All right. Well, Madam Court Reporter, just so that the transcript makes

sense one day, let the record reflect that the day before the sale date, which was Wednesday as I recall, it was not the traditional Monday, I participated in a conference call with Mr. O'Connor and Mr. Cone. I probably was not totally appropriate in that we did not have Mr. Rivers because I happened to know Mr. Rivers was involved in something in Beaufort. But I, as a result of having been in court earlier that morning and hearing that Mr. Rivers was in Beaufort, I knew we couldn't get him, so I apologize. My apologies to Mr. Rivers if I over-stepped my bounds. In any event, as a result of that conference call, we postponed the judicial sale and set this date by agreement as to Mr. O'Connor and Mr. Cone, and discussed the fact that he would be filing a motion, in which was filed, at least I saw it by e-mail a few days later.

MR. CONE: I'm not objecting, but there's another party.

MR. O'CONNOR: Yes, sir. I would just point out, and I know Your Honor remembers this, you instructed me try to get in touch with Mr. Rivers.

THE COURT: Right.

MR. O'CONNOR: I did. Called him at Ned Tupper's office a few hours later, he said, "I strenuously object". I communicated that to you before you ruled.

THE COURT: Oh, absolutely.

MR. O'CONNOR: Yes, sir.

THE COURT: I just, I'll be honest with you, I wasn't going to get into any of that because it's not part of this motion.

MR. O'CONNOR: Yes, sir.

THE COURT: But when it's in, something like that it's in the transcript, if it gets up to the Court of Appeals or something they're going to say, "what are these guys talking about".

MR. O'Connor: Yes, sir.

THE COURT: So I thought that maybe it'd make sense to --

MR. O'CONNOR: Yes, sir.

THE COURT: -- to let the transcription reflect what it was we were talking about.

MR. O'CONNOR: Yes, sir. And I would also just state for the record that it was put in the mail on 7/13 and that's ten days before the 23rd,

the first day is the 14th and you count 14 to 23, this is the 10th day, so it's ten days.

THE COURT: Correct.

MR. O'CONNOR: And it's filed by putting it in the mail.

MR. CONE: All right. I don't object, but you're contending you put it in the mail ten days ahead of time was appropriate?

MR. O'CONNOR: On the 13th. Yes, sir, it's mailbox rule.

THE COURT: All right.

MR. CONE: Okay. Did you object?

MR. RIVERS: I did not object.

THE COURT: All right.

MR. CONE: Okay. Well, are there any objections to the affidavit I have filed, two affidavits I have filed and served, being part of the evidence presented at this Hearing?

MR. O'CONNOR: I do not object to that. I mean, I received -- you e-mailed them earlier this week. I consider those to be, you know, worthy of review by the Court. I don't have any problem with those being reviewed.

MR. CONE: No objection?

MR. O'CONNOR: No, sir.

MR. RIVERS: None.

MR. CONE: Mr. Rivers?

MR. RIVERS: None.

MR. CONE: All right.

MR. O'CONNOR: And likewise, with your brief, George, I just got it today but there's no rule in South Carolina. I mean there's local judges that want the briefs earlier than that, but there isn't in this Court and so I'm fine with it. I know nobody has had a chance to read it closely yet today, but I'm fine with that being legitimately part of the materials the Judge has to review as well, which, might mean he would need to take it under advisement, but nonetheless I do not object to your brief either.

MR. CONE: All right. Is there any objection to the jurisdiction of the Special Referee to hear all the matters and issues presented you have stated you will raise today?

MR. O'CONNOR: No, sir. And, in fact, I would add that once an equitable matter has been referred to the Special Referee, you know, under that Rule, which I believe is 53, he is sitting as essentially in the same position of a Circuit Judge for all matters with respect to that, to

that Civil Action. And so, yes, I think that all the things that you listed a moment ago, including the setting aside of the -- of Judge Mullen's Default Order as well as the Decree of Foreclosure are all appropriately heard and ruled upon by the Special Referee.

MR. CONE: All right. Now, I asked that last question based on the fact that you're asking to set aside the Judgement of Default and Reference by which Mr. Johnson was appointed Special Referee.

MR. O'CONNOR: Well, I see. I see the rub there. And I'll be candid, I haven't really given that thought. I guess what, the way I would recommend, and let me know your thoughts about that, mechanically is that I would ask that he set aside the portion of that Order that placed my client in default, but not -- I do not have any objection to nor would I seek to set aside the portion of the Order that appoints him as the Judge that presides over this case. And I do think that it is proper under our rules for a party to object to a certain part or portion of an order and not the other parts of the order and so that's what I'm doing.

MR. CONE: So, under what rule are you persuing the modification rather than the setting aside of it?

MR. O'CONNOR: I think it's all under 60(b) and I would just to the extent necessary orally amend my motion and with oral argument and the explanation that the relief that we seek, to be clear, is to set aside the portion of Judge Mullen's order that puts my clients in default, but not the portion that appointed Judge Johnson as the -- as the Judge to preside over all matters with respect to this case.

MR. CONE: Okay.

THE COURT: That's an interesting point.

MR. O'CONNOR: It is interesting. Yes, sir.

THE COURT: I don't know. I think -- I think at this point it's my problem to deal with. And if you were allowed to answer whether that would be grounds for setting aside the Order of Reference would be, y'all could cross that bridge when you get to it. That's certainly --

MR. O'CONNOR: I would add -- I'm sorry.

THE COURT: I mean, we're way out ahead of ourselves now. If y'all want me to do it I'll do

it. If you want somebody else to do it that's fine. If you want to put it back in front of Judge Mullen, that's fine, but we're not there yet. All right. Let's go ahead and hear your other two arguments.

MR. O'CONNOR: Yes, sir.

THE COURT: Now, do you have any witnesses or affidavits?

MR. O'CONNOR: I do not, Your Honor. I was just given the short --

THE COURT: I'm not saying you should have, I'm just asking.

MR. O'CONNOR: Well, I made an effort to get something that I could present, but just given the short timeframe I wasn't able to get it. And so, but I would submit, and I'll talk about this, that the facts are such that it's, you know, they kind of speak for themselves.

MR. CONE: Well --

THE COURT: All right. Well, you've -- it appears that you have a very tenable argument that your mortgage is prior in time. What is the -- the other two prongs as I understand it are excusable neglect and timely response. I'm not as focused on the timely response, but I -- let's

hear you on the excusable neglect.

MR. CONE: Well --

MR. O'CONNOR: Yes, sir. It's my motion, George, respectfully.

MR. CONE: All right. Well --

MR. O'CONNOR: So, I mean, we really have to limit, but --

MR. CONE: -- I would like to call the Court's attention to --

MR. O'CONNOR: Judge, I would just object, he's arguing and it's --

MR. CONE: Okay. Go ahead.

MR. O'CONNOR: -- he's a defendant on this motion.

MR. CONE: All right.

THE COURT: All right. Go ahead. And I'll give everybody plenty of chance.

MR. O'CONNOR: Yes, sir. And may I please the Court, Sean O'Connor representing the Defendant MERS as Nominee for BNC Mortgage, Inc. It's my motion. We filed a motion as already discussed in our preliminary discussions, it was filed on -- on July 13. It's a Rule 60 Motion. It was styled at the file, at the point of filing as a 60(b) but I clarified and provided notice to

the Court and other parties that we're actually proceeding under Rule 60(a) and 60(b). And because Your Honor asked, I'll address 60(b) first. We actually addressed 60(b) first in the brief as well. Although we would submit and contend that both are strong showings in favor of setting aside this judgement, 60(b) and 60(a) but I'll address 60(b) first. It's correct, Special Referee Johnson, that the standard in the three prongs are, the first one --

THE COURT: Let me -- let me say, and if you want to make a record I'm not cutting you off --

MR. O'CONNOR: No, sir. No problem at all.

THE COURT: -- but I am. But I guess I am cutting you off.

MR. O'CONNOR: That's fine. You can do that, you're the Judge.

THE COURT: Is 60(a) -- the Order is not a clerical mistake. It may be wrong but it's not a clerical mistake. The order is based upon the pleading rules that a court accepts the well-pleaded allegations of a complaint that aren't denied or contradicted and so it may be a mistake, but it's not a clerical mistake.

MR. O'CONNOR: And I understand that position, Your Honor, respectfully. And there are, you know, you could probably find some authority that could be cited as being in support of that. We -- we disagree and we cited some authority that supports it.

THE COURT: No. Well, I want to hear you, you might change my mind.

MR. O'CONNOR: Yes, sir. And I want to try to.

THE COURT: Okay. I just --

MR. O'CONNOR: Yes, sir. The basis of that is that the entire genesis of this situation that brings us here today, and probably led to the foreclosure by the Bank of Walterboro, and why we're here a couple of years later trying to get out of default, and why I'm put in the position of having to bring this discrepancy before the Court is -- is essentially been acknowledged, although I haven't read Mr. Cone's brief yet. But his affidavits that he filed that I received by e-mail earlier this week reflect that the title commitment that he got from Investor's Title did not mention -- it wholly and totally missed the MERS/BNC mortgage. And so, even

though what Your Honor did could be reasonably described as not a clerical mistake for the reasons that you stated, which was that he pled that there was no opposition at the Hearing. You had -- he had drafted the Order, which I do. I mean, I foreclose on properties, I draft orders for judges all the time. I know how it works. And that's standard practice and nobody really would have a basis to challenge that. What makes this different is that there is an undeniable clerical mistake of a title abstractor and of the title company where it's just, they just have wrong facts and the materials that they provided to the closing attorney's office, who I understand is deceased now. And then, that then went into the closing package and then some six years later it made its way into foreclosure pleadings. But at the very genesis of the whole problem was unquestionably a clerical mistake. And so we would contend that that 60(a) is implicated, and that there are some situations, and not just South Carolina but in the Federal Rule from which the Rule 60(a) of South Carolina Rules of Civil Procedure is -- is derived, that this kind of thing can be evaluated as a clerical

mistake because it was at it's genesis a clerical mistake which made its way into a closing, then foreclosure pleadings and ultimately an order. So we think that it's -- it's obviously not our only argument, but we would strongly contend that 60(a) does apply here. And at the very least can inform the Court's recognition that at the very root of this problem, before all the other comedy of errors that took place, several on their side and several on my client's side, that it was at the very beginning a clerical mistake, which importantly was made not by any of the parties here at the table, but by a title company who is set up to swallow this loss and should do so, you know, if equity prevails. And so that's our basis for getting into 60(a). And now I probably won't have to argue that at the end, which is what I was planning to do, but I'm happy to do it in whatever order you prefer.

The first question you asked me, Your Honor, is about surprise, mistake, excusable neglect, and inadvertence. You know, Rule 60(b) if there ever was a situation for implicating and examining those, those portions of the rule, it is exactly this. In fact, I would, obviously

I've not read all of those cases, but I've had a number of occasions in my practice over the years to look at defaults, and trying to set aside defaults under Rule 60(b) many of which I'm on the side of the party that has a default judgement and I am trying to oppose it. But I would -- I would submit that the great majority of the 60(b) jurisprudence in South Carolina is based on defaults where somebody has not timely answered the complaint. And the rule itself is -- is not uniquely designed, but largely designed to examine those type of situations. And I would submit to you that despite what I anticipate that Mr. Cone and Mr. Rivers is going to argue that -- that, you know, if a party just misses the deadline that they're just kind of up a creek and you can't get out of it by coming and later talking about how, you know, what was in the pleadings were wrong. I would submit to the Court that those elements and I think this is reflected in the case law, the stronger case you have on the merits does color and inform the Court's evaluation of the other elements of the three prongs. In other words, if you have a strong case on the merits the courts do and have

given parties a greater leash when they have failed to timely answer the complaint. And those, those two things do tend to blend together. This was unquestionably a mistake. I don't have, like Your Honor asked and I told you, you know, I just, given that this was less than a week, and you know, we have to -- some of these folks that we talked to are in India and overseas and all that and they just weren't able to get that together, but I think it's reflected. But, you know, there's a lot of things that are factual in this case that they're just not in dispute. One of those things is that we didn't answer the Complaint on time. A lot of what George's second affidavit -- he had one from a vice president of the bank and another one from his assistant, Linda, who I've spoken to and was very nice in providing me some of the file materials in this case which I did not have yet because I got it so late. And Linda's affidavit basically just goes through the history and the chronology of the Service and the fact that my client was aware of it, and they were served with Notice of the Hearing and all that and all that's true. But nonetheless what's also undeniable and

can't be challenged, it blends right into the merits of the case which is that it is not surprising that my client had categorized this case as one in which the Complaint alleged that they were in second, junior lien position. And I've had, I mean I represent HOAs and I also represent mortgage servicers. And we get, as in my capacity as servicing mortgage or representing mortgage servicers, we get sued all the time in cases where an HOA just files a Complaint and says, "well, you know, we're foreclosing based on the HOA lien, but we know there's a bank lien that's ahead of us". We don't really put a whole lot into that. I answer it, but we're not in default. But then we just monitor it, we don't go to the hearings. We don't contact the court. We don't do much. And so the reason I give that example, Your Honor, is that the way that the Complaint is pled often times guides the way somebody treats it and there can be no dispute here that our lien position was in first place over the Bank of Walterboro, which was -- was recorded later that same year in October 2007, when ours was recorded in June. And so, when you get a Complaint that says that, you know, it's

obviously in hindsight. You know, we're now two years down the road and looking back on it. Best thing would have been to answer and say, "hey, that's not right, Mr. Cone, we're in first place" and we wouldn't be here, but that's -- that's not the record that we're left with. And but what I would contend that goes very directly toward surprise, mistake, excusable neglect, and inadvertence is the fact that the mistake by Investor's Title, which was then ratified, adopted, and pled, and filed by Plaintiff Bank of Walterboro was a contributing and significant factor.

THE COURT: Off the record.

(Discussion held off the record.)

MR. O'CONNOR: And so, can I finish that thought.

THE COURT: I'm sorry, go ahead.

MR. O'CONNOR: I was just going to say there's no question that the two things melded together the fact we did not timely answer the Complaint was undeniably contributed to by the fact that the pleadings were wrong. And so, is there -- are you going to find some authority that says that whenever that happens you

automatically get out of default? No. No, sir, you will not, but I would say that it's certainly a factor that the Court ought to weigh given the fact that we were misled that because the pleadings were wrong. And the diligence, I mean, I think that's the easiest one because the diligence prong is not the diligence from two years ago, it's the diligence in the work that I've done in getting on this. And we did, you know, we timely got on it. I contacted you. I wasn't able to contact you as soon as I got the case because I didn't have my own title work yet and I didn't know what I know now about these, the order of these property records filings. But we know that now and I would submit, respectfully, that as soon as we were aware of this scenario that my client and I, you know, got right on it. And, you know, another thing that goes to the diligence is the Rule 60(b) itself is that we're well within that year. I mean, you get a year under 60(b). We're two months into it, so I mean obviously 60(b) is designed to allow for people to even wait even much longer than we did. I mean we would have had another ten months and be under 60(b) but I got on it as

soon as I got it so I think we've fully satisfied that diligence element. And as for the merit, you know, I -- I very much appreciate, you know your preliminary statement about the showing that we've made and that's certainly how I view it. But based on what Mr. Cone has stated in his brief, which I had the opportunity to quickly review before the Hearing and what he said in just some informal colloquy and just informing me what his client's position is, Your Honor, they don't -- they don't accept that. And you may hear this from Mr. Cone, but he certainly told me, I'll represent to you as an officer of the court that when we were talking informally before Your Honor came in, Mr. Cone does not agree that we're -- that we have a mortgage lien that's superior to his. He was mentioning some other mortgages; I would say that those are not relevant. I mean, I don't know how those really have any bearing, or either satisfied, or they're -- or they're remain a valid encumbrance or they're not, but nonetheless that's not before the Court in this motion. What's before the Court in this motion is Bank of Walterboro's mortgage versus MERS as Nominee for BNC's

mortgage. And I attached all of those property records as exhibits to my Motion that was filed by mail, you know, on June 13. And, you know, I feel like based on your preliminary statement that Your Honor has reviewed those records, but I mean there is no denying that, and I've got this on Page 2 of 5 of the Motion. I got through the history of my mortgage originally to Lexington Capital dated May 16 of '06, recorded June 20 of '06. Then it was assigned to BNC June 22 of '07 and recorded August 13 of '07. That assignment was recorded and then it was assigned again to MERS June 25 and recorded August 13. Those are all in the Jasper County Property Records as a matter of public record. I've attached them as exhibits. Then comes along the Bank of Walterboro mortgage --

THE COURT: Forgive me for interrupting you.

MR. O'CONNOR: Yes, sir.

THE COURT: But you are over-proving 1 of 3 prongs.

MR. O'CONNOR: Yes, sir.

THE COURT: And I think you are, and I'm not prejudging or preempting these gentlemen, but

I would accept the fact that you got the file a few days earlier and you had a Rule 11 duty to investigate the facts before you filed something, and then you proceeded both informally and formally. There may be some argument about that time, again I'm not foreclosing an argument to the contrary, but there may be some question about the time before you got it, but what was the -- you haven't really said why, why there was no answer filed. Apparently there was not only -- I'm -- I'm -- in my career I've seen where somebody said, "well, my daughter got it and she put it on the refrigerator and I never saw it". But your client was served, and then served with numerous other things. What or why did they say they didn't answer?

MR. CONE: Objection. I object to your question. You're asking him to give hearsay evidence.

THE COURT: Well, I'm probably guilty. Maybe I'm just curious like John Black.

MR. CONE: But I would object to any evidence of what they say.

THE COURT: Okay.

MR. CONE: That is not presented here as

evidence.

MR. O'CONNOR: And I guess in light of that objection, in trying to answer your question in a way as not to present it as hearsay, I would refer to the, you know, the -- I tried to address that at some length in the brief. And of course recognizing that I don't have an affidavit, but nonetheless you know their position on it, which I'm stating not them, is that they got it. They failed to timely answer it. And that, you know, a significant contributing factor to that was the fact that they were misled as to the nature and character of the very pleading itself. And I think that we don't -- there doesn't need to be hearsay evidence on that because I think that that's on its face, not just in the property records, but in Mr. Cone's pleading. That -- that, you know, they were served with a Complaint that said they were in second position and this was a property of which there is not of significant value for a second lien holder to be able to recover any funds. And so, you know, they were led to mis-handle it and mistreat it by the way that it was pled in the pleadings.

THE COURT: All right. So they --

MR. CONE: Just for the record, I object to that testimony and move to strike anything where he says "they said" and anything that he is testifying that should come from MERS, so.

MR. O'CONNOR: Well, I mean.

THE COURT: All right. I would take that as, not as testimony of what somebody told him, but as reasonable inference that a zealous advocate could argue from the record before me. That they got it. They asked no questions. They assumed that there adversary was right and they didn't ask any questions until -- until later, which is I guess what I wish we had some in the record on is why didn't they continue in that vein of where they assumed it was right? What happened? But I guess I can't ask that.

MR. O'CONNOR: Well, and of course that's why we're here.

THE COURT: Yes.

MR. O'CONNOR: I mean, you know, if we had the -- if we're able to turn back the clock and --

MR. CONE: But just to make sure, I know the Court can make an inference but there's no evidence upon which the Court can base that

evidence, so I would object to it but we can proceed.

THE COURT: Okay. All right. I can disregard something even though perhaps I can't go and hear something literally. In your oral motion you argued something about they confused one mortgage with another mortgage, but that's not something that you're presenting before me?

MR. O'CONNOR: No, sir. That actually is -- was my best, you know, I was trying to figure out how they thought that they were in first position that --

MR. CONE: I object, speculation.

THE COURT: All right. Well, I would -- I mean, before me without objection is an affidavit that the Bank has a title policy issued by a prominent attorney, who's picture hangs in the courthouse, that probably missed a mortgage. And you know that is an inference that I draw properly or improperly, but the Bank had every reason to think this was a first mortgage. And I assume that the original lawyer just missed it, but there could have been something more to that and unfortunately we can't ask him. But anyway you're not presenting anything to the effect of

how they confused one mortgage with another.

MR. O'CONNOR: I don't know why.

THE COURT: Okay.

MR. O'CONNOR: And in fact I, Your Honor, I explicitly stated in the brief and I'll emphasize again, I'm not nor is my client asserting that this was done intentionally and deliberately in an effort to try to, you know, wrongfully assert that they were ahead of us in lien position. Now, that was not their intention I don't believe. And I think the fact that Mr. Cone e-mailed that affidavit, which one of the, you know, the Title Commitment was attached to it which was very revealing because that MERS/BNC mortgage was not on it. And so, it makes it clear to me that they didn't know about it and they prepared, and the loan was closed under that mistaken understanding. But just to go back to your earlier question, and I wrote a short paragraph about this point at Page 8 of my brief. There's a rule in the Rules of Professional Conduct that a lawyer is required to correct mistaken statements of fact. And so, what I would contend at this point, two things with regard to that is -- one is since we now know

which mortgage was first-in-time first-in-right, I believe it's incumbent upon counsel for Bank of Walterboro to knowledge that mistake and acknowledge that it's incorrect and that everything else aside, the fact that we didn't answer the Complaint on time put all that aside for the moment, that at least with regard to the merits issue that Your Honor address first and foremost, they're obligated under Rule 407-3.3 to knowledge the mistake and -- and make that part of the record. And related to that is the fact that it is reasonable for another party to assume that facts and pleadings are correct, and that if they're not correct, that they'll be corrected, and that was never done in this case.

THE COURT: I guess what I'm sitting here thinking about is if there's a complaint that said the defendant ran the stop light, and the defendant knows that he didn't run the stop sign or stop light, does that mean he doesn't have to answer because he knows that he wasn't in the wrong?

MR. O'CONNOR: Well, the critical distinction I would make to that, Your Honor, is that there are not recorded property records that

are black and white and incontrovertible that tell us which light was red and which light was green. So, you know, when you have property records that say you're in first lien position, that's pretty strong and pretty powerful and something that parties have a right to rely on and in fact do rely on. In fact, Mr. Cone relied on them and the Bank of Walterboro relied on them as well they were just wrong. And so, you know, I would say from --

THE COURT: But then your client relied not on the records but on Mr. Cone's reading of the records?

MR. O'CONNOR: Yes, sir, because this was never on my client's radar.

MR. CONE: Objection. I know the Court asked a question, but it's speculation as to what his client did and it'd be hearsay if he says anything his client said to him.

MR. O'CONNOR: My client's position, not their words but their position, is that this type of case never even gets on the radar of a first position purchase-money mortgage lien holder until and unless somebody else that's junior comes along and files a foreclosure lawsuit and

names them. So, they don't really, no bank, no investment trust, the mortgage back securities, no loan servicer, monitors every mortgage in every county across the country. There's no way they'd be able to do that. And when somebody sues them and you know, it says that they're in second lien position. There is a, you know, a general industry standard that that is treated differently than one where somebody's, you know, if they're bringing the suit as first position lien holder because their borrower is in default. Which incidentally, Ms. Rosemelle Shuler is not in default with my client. And before we wrap up the argument, that's an important point that I want to address: What's going to happen if this mistake stays in place as opposed to whether it gets corrected, because it's a significant equitable difference for Ms. Shuler and for her wellbeing and her position with regard to that property.

MR. RIVERS: Let me state I represent Ms. Shuler. I'm here to represent her and I'm pro bono and she and I know what we're doing.

MR. O'CONNOR: I'm not challenging it.

MR. RIVERS: He's trying to help us. We

know what we're doing.

MR. O'CONNOR: Yes, sir. But I mean, we also have some independent information about that that may be different.

THE COURT: All right.

MR. O'CONNOR: Can I explain what I was talking about there? I put it in the brief but I'd like to put it on the record if Your Honor doesn't mind?

THE COURT: Go ahead.

MR. RIVERS: If it's going to involve conversations my client took place outside of this room, you're not.

MR. O'CONNOR: Well, I'll -- I'll explain.

MR. RIVERS: I stand with what I said.

THE COURT: Go ahead and make a proffer of whatever you want to state.

MR. O'CONNOR: Yes, sir. Well, I want to explain first of all the difference between leaving the mistake as is and correcting it. As I've stated, Ms. Shuler is not in default on the MERS/BNC mortgage. If this judgement and sale goes forward with Bank of Walterboro in incorrect first position as is being sought and promoted by Mr. Cone, this property will go to sale if Your

Honor were to reschedule it under those mistaken circumstances. And any third-party would be free to come in there and buy that property. And even if Mr. Cone and Mr. Rivers might have you believe that there is no intention by the Bank of Walterboro to evict her from that property, that's not within their control. If this property goes to sale some shark could come in and buy it and they have no care or concern or compassion at all for a lady that's evidently very ill. They could just buy it with a higher bid and then it's out of their hands. If my client is rightly and properly and equitably put back in the first lien position that they ought to be based on the property records she's not in default with. We are not going to foreclose. As I said earlier, Bank of Walterboro and any junior lien holder, an HOA, a judgement lien holder, or anybody can foreclose, but you foreclose subject to the first position purchase-money mortgage; lien holder's mortgage, which is us and they would not have the same incentive to move forward with the foreclosure because they foreclose and they get it and they have title but it's still subject to our mortgage. And very importantly,

our being there in first mortgage lien position would have a profound chilling effect on any designs that any third-party bidder might have to come in there and buy that because they know that they would be getting a property that as soon as they get it then my bank can just foreclose on them and then they've paid money and they got nothing. That's not what's going to happen if this mistake stays in place. We're out. Our mortgage is wrong, is extinguished even though we're loaned the money and we're first place based on the property records we're out. We've got no control and here comes some third-party as soon as you reschedule that sale and guess what happens to Ms. Shuler? Now, Ms. Shuler, and this is what I was -- Mr. Rivers was talking about a moment ago, and what Your Honor said about a proffer, she has tried to contact Ocwen and said, "you know" -- I don't know what she said.

MR. CONE: I object, hearsay.

MR. O'CONNOR: I dont know what she said. She, I will tell you that she tried to get in touch with Ocwen.

MR. CONE: I object.

MR. O'CONNOR: I'm stating a fact. I'm not

stating anybody's statement. She tried to get in touch with Ocwen.

MR. CONE: Object. He has -- did she talk to you or were you a party to that conversation?

MR. O'CONNOR: Well, let me finish, please. I'm not stating anybody's statement.

THE COURT: Okay. Well, go ahead and say. I'll disregard it if it's inappropriate.

MR. O'CONNOR: Yes, sir. All right. I have personal knowledge that she tried to get in touch with my client. My client informed her that she's represented by counsel, they couldn't talk to her. She called back after hours again and left a voice mail message for the managing counsel that I reported it to and I have that voice mail. And I'd like to play it for the record.

MR. RIVERS: And I object to that.

MR. O'CONNOR: On what grounds?

MR. RIVERS: If I wanted her here I'd have brought her here by affidavit.

MR. O'CONNOR: I mean, a verbal voice mail is -- is, you know --

MR. RIVERS: We are in a motion hearing. He has served no affidavits and I object to him

using this in lieu of one.

MR. O'CONNOR: I think the voice mail just came last night, so. Or the night before.

MR. CONE: I would also object to it based on the fact that he didn't record it nor does he have anyone here to authenticate who it was directed to.

MR. O'CONNOR: I -- I mean I have the e-mail that it was attached to. And I'd like to proffer it and have Your Honor decide whether you think that it's worthy to enter Your consideration or not.

THE COURT: Mr. Rivers, have you heard what your client allegedly said?

MR. RIVERS: No. I just know what her thought process is. I know what her financial position is. I know what she was attempting to accomplish, but I'm not going to tell you that either because this is not in the form of a sworn affidavit, which is the only thing you can receive at this hearing.

MR. CONE: Is he going to, is mister -- is Sean, Mr. O'Connor going to go under oath and testify? If so, I would remind him of the Rules of Professional Conduct about becoming a witness

in a matter --

MR. O'CONNOR: I'm not going to be a witness. No, sir, I'm not.

MR. CONE: All right.

THE COURT: Have you got a -- you said you've got an --

MR. O'CONNOR: It's an attachment. It's an audio file that's attached to an e-mail is what it is. It's like 15 seconds.

MR. RIVERS: And all of this is being used in an attempt to help my client; such help I am rejecting, and that's the proffer being made to you.

THE COURT: All right. Well, it sounds like this would be a settlement discussion that would be -- I guess I shouldn't think of objections that nobody made, but this would postdate your motion; is that correct?

MR. O'CONNOR: Yes. Yes, sir, I got the--

THE COURT: How does it relate to excusable neglect or --

MR. O'CONNOR: I mean, I --

THE COURT: Because we've already said you've made a prima facie showing of meritorious defense. How does it relate to excusable neglect

or timely motion?

MR. O'CONNOR: Your Honor, I guess the way I would answer that is that it goes to the equitable principals. That, I mean a foreclosure case is an equity case, this is an equity Court. I think equities have to enter into the decision. And the most equitable result here is for the proper party that has the first position lien to be replaced back as such. And also for in the scenario that I've just explained, it's actually, it's equitable, and more favorable, and more advantageous for Ms. Shuler to not have this mistaken result stand for the property to be sold under those erroneous circumstances. That's the most equitable result and that's what the -- that's what I would contend that the voice mail supports.

THE COURT: I'm not going to accept the evidence on what Ms. Shuler's equities are when she is represented by someone.

MR. O'CONNOR: I understand.

THE COURT: I'm focused on your equities.

MR. O'CONNOR: Yes, sir.

THE COURT: All right.

MR. CONE: Give me one second.

THE COURT: I was trying to think that if you want to at some point put a e-mail --

MR. O'CONNOR: Like file that or something?

THE COURT: Yeah, as an exhibit, as a proffer, that would -- you're certainly entitled to do that to make your record.

MR. O'CONNOR: Okay. All right.

MR. CONE: Yeah, Thayer, do you object to that seeing as you represent her?

MR. RIVERS: Well, I've stated that. I've done that or I thought all the way through. Yeah.

THE COURT: He already did. All right. They will be marked as a proffer and the Court Reporter and Mr. O'Connor will work that out.

MR. O'CONNOR: Yes, sir. And I believe, unless Your Honor has any other questions about something that you don't think that I've addressed thoroughly or not to your satisfaction, I believe that summarizes all of the arguments I have.

THE COURT: Okay.

MR. O'CONNOR: Although I'd like to reserve time to respond to anything Mr. Cone states.

THE COURT: Certainly. All right.

Gentlemen?

MR. RIVERS: I think Mr. Cone and I have practiced 85 years in this circuit between the two of us. He has seniority over me because I went to visit Uncle Sam while he went to work. So, I think it's his turn.

MR. CONE: Explain that to me one more time.

THE COURT: He said you've got seniority, you've got more years.

MR. CONE: As to whether to allow the proffer?

MR. RIVERS: No, practicing law.

MR. O'CONNOR: No, you get to go first.

THE COURT: He said you can go first.

MR. CONE: Huh?

MR. RIVERS: I said you have more years practicing law in this circuit than I do.

THE COURT: He said you go first.

MR. RIVERS: Yeah, you first.

MR. CONE: Has the moving party concluded?

THE COURT: Yes, sir.

MR. O'CONNOR: I reserve time to respond, but other than that, yes, sir, I've concluded.

MR. CONE: All right. I would request at

this time that the motion be denied for failure of the moving party to present evidence as to any prong of the setting aside of the default under Rule 55 or setting aside the Order of Default, or any evidences as to why they, MERS/BNC did not attend the Hearing. And if you want to withhold your ruling on that I can present my client's side of the matter.

THE COURT: Please. Please do so and I'll -- I have read the affidavits and I will tell you what I got out of it and y'all can tell me. Y'all made a loan. As a first mortgage you had a title opinion and a title policy from a prominent lawyer and that's, as far as you know that's correct?

MR. CONE: Right.

THE COURT: All right. Thank you.

MR. CONE: But -- all right. Go ahead.

THE COURT: That's what I perceive your position to be. And then you notified Defendant MERS every step of the way in the pleadings; is that correct?

MR. CONE: We notified MERS of everything that we're required under the rules to notify them of. The MERS has received the Summons and

Complaint lis pendens in May, on May 23, 2013. On September 16, 2014 a Notice of Hearing was mailed to MERS and received by MERS September 19, 2014. The record shows no indication that MERS did anything at that point about this matter. That Hearing was cancelled. A new Notice of Hearing, a Notice of Rescheduled Hearing was mailed to MERS on October 15, 2014 and received by MERS on October 16, 2014. MERS has taken no, took no action of record and that time that Hearing was also cancelled. A new Notice of Hearing was mailed to MERS May 6, 2015 and received by MERS on May 11, 2015. The foreclosure Hearing was scheduled on May 20, and it resulted in a Foreclosure Decree dated May 20th. A copy of the decree and Notice of Special Referee Sale were mailed to MERS on May 22 and received by MERS on May 27th. I would point out that from the affidavits that -- and not from the affidavits -- from the Certificate of Mailing on that matter it was sent to MERS by both regular U.S. Mail as is permitted and out of an abundance of caution because of the phone call, by Certified Mail Return Receipt Requested to make sure MERS knew that the decree had been entered

and could not deny that they had received the Motion and then so that MERS could timely make any motions of appropriate -- appropriate Motions for Relief within the time required or file an appeal within the time required. On July 7th Mr. O'Connor called my office. Unfortunately I wasn't in. On July 8th I called him back when I came to the office that morning and consented to him getting the Special Referee on the line and in effect said that I would consent to it if he agreed to the postponement of the sale. This conversation taking place the day before the scheduled sale. If he would agree to pay the cost of the republishing of the Notice of Sale and the cost of re-service. And the Order stated in part, "the foreclosure sale needed to be postponed on the grounds that the Dispositive Foreclosure Order and prior to that the Complaint contained an error in fact with regard to lien priority between Plaintiff and Defendant MERS Mortgage. And it stated that Mr. O'Connor agreed that his client would pay the cost of additional publication that I just said. And the Court ordered the Special Referee. The Special Referee ordered counsel for MERS to file the motion

promptly without delay of course. To copy all counsel of record with the Special Referee's Order. It was my understanding from that conversation that the Rule 60 Motion would be filed that day. We had scheduled the Hearing for 15 days out, but we do not object to the fact it was subsequently filed on the 13th.

MR. O'CONNOR: 13th, which was four days later, yes, sir.

MR. CONE: On July 13th MERS filed it's motion that certain allegations made by Plaintiff in its Complaint and presented again by the Plaintiff the Dispositive Final Hearing on May 20, 2015 contained a material error of fact with regard to an alleged satisfaction of the mortgage and as to the lien priority between Plaintiffs Bank of Walterboro and the Defendant MERS. And further stated that MERS remains a first position purchase-money mortgage, which I'll go on to explain is not correct and it was a mis-statement. The motion went on with regard to the relief requested, Defendant MERS/BNC can present credible evidence to the Court which will demonstrate the circumstance in which the Court should relieve MERS from the Foreclosure Order

and vacate it, set it aside and declare it null and void. On the ground that the failure of Defendant BNC failed to timely answer the Complaint and oppose the default judgement against it or appear at the Dispositive Final Hearing on May 20, 2015 were due to mistake, inadvertence, surprise, or excusable neglect. And it says all of that that was brought about and compounded by and exacerbated by Plaintiff's error in mischaracterizing the status of the relevant mortgages and in mis-statement, stating lien priority between Plaintiff and Defendant MERS. Now, I will go on to explain that is not the case. And it says that -- it says, goes on to state, "the Special Referee erroneously adopted as fact Bank of Walterboro's allegations that MERS/BNC's mortgage from borrower, Rosemelle Shuler, the MERS/BNC mortgage was either satisfied or subordinate to the interest the Plaintiff's. And it further states that "MERS did not discover this error until after the Decree was filed. Although MERS/BNC acknowledges that it might have had the opportunity to discover this error in time to prevent the error in the Decree". It goes on to say that "it avers

mistake, inadvertence, surprise, excusable neglect caused it to fail to appear at the Hearing to contest the priority of Plaintiff's lien and the status of the mortgage". And it states, "it was compounded and exacerbated by the erroneous assertions of the Plaintiff which mischaracterized the status of the relevant mortgages, mis-stated lien priority between Plaintiff and BNC, and misled the Court causing it to issue a flawed order containing a material mistake of fact". Well, I'll go on, but the Complaint did not mistake or allege, make any mis-statement of facts in its Complaint. The Memorandum admits that MERS was served on May 28, 2013 and goes on to state, "that for the next two years the action progressed without MERS involvement". But it doesn't mention that twice in 2014 MERS received Notice of a Hearing. Those Hearings subsequently were cancelled, and the Final Hearing heard in 2015, both giving MERS a chance to discover whatever error they might claim. The Memorandum also states, "a representative of MERS/BNC contacted Plaintiff's attorney, asking for more information as a Notice of Default had ever been served on it". If you

look at Rule 5 -- let me see if I've got a copy of Rule 5.

THE COURT: There's a couple of versions right there.

MR. CONE: Well, let me find my rules. A copy for you, copy for you, a copy for you.

MR. O'CONNOR: Thank you.

MR. CONE: Rule 5, Service When Required, "unless otherwise ordered by the court because of numerous defendants or other reasons, all written orders shall be served upon each of the parties of record". The next sentence, which I think is this case, "no service need be made on parties in default for failure to appear except that notice of any trial or hearing on unliquidated damages shall also be given to parties in default". So there was no requirement that that be given.

And I don't know where -- and I would point out I got a copy of Rule 55 here. I have at home in my office and they forgot to pack it in my suitcase, my annotated rules. And under Rule, in cases involved liquidated damages is Section (b)(1) but (b)(2) says all other cases. And in the body of the paragraph "if the party against whom judgement by default is sought has appeared

in the action via party, or if appearing by representative, party's representative shall be served with written Notice of Motion, Application of Judgement at least three days prior to the Hearing on such application". There's nothing in the record to indicate that MERS/BNC had appeared in the action or thus entitling them to notice prior when that motion, that Order was submitted to the Court.

THE COURT: Okay.

MR. CONE: So, the Memorandum goes on to say, "a representative of MERS contacted Plaintiff's attorney asking for more information, as no Notice of Default has ever been served on it." There's no evidence as to the reason for the call to Plaintiff's attorney in the record.

THE COURT: Is there any evidence of the date of the call?

MR. CONE: Yes. It's in my affidavits.

THE COURT: Okay.

MR. CONE: It's in the affidavit of my secretary who keeps our record and the exhibits thereto.

THE COURT: And that was in --

MR. CONE: Huh?

THE COURT: That was on the 9th?

MR. CONE: What? That would be the affidavit of Linda C. Jordan. And on Page 3 of hers she indicates that "contacts with individual said to be personnel or representative of MERS between May 19, 2015 and July 7th we received a call at 2:40 p.m. from Loan Servicing, Lucita (ph) although I'm not sure that name is spelled right, and she left a number and extension and that was at 2:40; 3:43 I called and got no answer at the extension.

THE COURT: And this was on May 19th?

MR. CONE: Right. From May 19th at 6:02 p.m. and I think I'd ask the Court to take judicial notice that is outside of normal working hours for a personnel at a lawyer's office or the lawyers.

THE COURT: Right.

MR. CONE: My Linda Jordan received, who is my assistant, an e-mail from Lucita Sandersam (ph) and she forwarded it to me the next morning at 10:45. At 11:06 I e-mailed Lucita Sandersam and advised her "MERS should seek advice of counsel at once". And from the read receipt she received that one minute later. My next contact

was June 5th and from Lee Lott. And I'll go on and get back to that later.

THE COURT: Now, Lee Lott is an attorney with Baker --

MR. O'CONNOR: He's with Baker Donaldson -- with Baker Donaldson and they are the national or regional managing counsel for Ocwen, who is the loan servicer for this loan and that's who assigned local counsel, which is me, and then that's who I report to.

THE COURT: Okay.

MR. CONE: Well, he called on June 5th at 2:30. I left a message. I called him back on June 8th and left and phoned, spoke to someone who identified themselves as Linda. She said she would have him call me.

THE COURT: Okay.

MR. CONE: He called me back on June 16, 2015 and said he would have Sean O'Connor contact me. 60(b) --

THE COURT: So it was 30 days, 32 days, something like that, between your first contact and your --

MR. CONE: June 6th is -- June 5th is when they first made an attempt to contact me.

THE COURT: Okay.

MR. CONE: After the 20th and June 8th is when I returned that call. And June 16th, it's not in this record, but I had a lengthy conversation with Lee Lott.

MR. O'CONNOR: Just for the record I'm going to object to this on the same grounds that you objected to me earlier.

THE COURT: Okay.

MR. CONE: What are you objecting to?

MR. O'CONNOR: To you talking about your conversations that you had with somebody else at some other time. Are you going to swear yourself in as a witness?

MR. CONE: No, I'm not.

THE COURT: All right.

MR. O'CONNOR: All right.

MR. CONE: I'm just saying I called Lee Lott.

THE COURT: All right.

MR. O'CONNOR: The same, same objection.

THE COURT: Is there anything -- anything that's not in -- anything --

MR. CONE: What?

THE COURT: I said, is there anything else

that's not covered in your Memorandum or your affidavit that you want to...

MR. CONE: No.

THE COURT: Okay.

MR. CONE: And did I tell you it was in the affidavit?

THE COURT: Right.

MR. CONE: To which no objection was made, it's in the record and I'm going from that.

THE COURT: All right. Well, I'm going to read all that very carefully.

MR. CONE: But -- but let me go through it just to make sure everything is clear.

THE COURT: Okay.

MR. CONE: They made the Motion under 60(b). I think 60(b)(1) mistakes; inadvertence; surprise, or excusable neglect. And I don't think they presented any evidence whatever from MERS/BNC as to that.

THE COURT: All right. Let me interrupt y'all, ask both of you: In one or both Briefs there's illusions with MERS confusing this mortgage with a CIT mortgage; do y'all agree that's not in this record? That's not before me? That was --

MR. O'CONNOR: Well, if I could correct just the premise of it. My assertion was that in trying to seek an understanding of why the pleadings were wrong, there was another MERS mortgage with CIT as the nominee that was satisfied. And so I made the inference that when they pled that the mortgage, my mortgage was paid and satisfied they might have been looking at that one, but we were never confused about another mortgage.

THE COURT: All right.

MR. O'CONNOR: I thought that the Plaintiff might be, but I don't have any evidence of that.

THE COURT: Okay. All right. That's all I wanted to --

MR. CONE: Right.

THE COURT: It wasn't that MERS confused them?

MR. O'CONNOR: No, sir. It was -- I -- I speculated that they might have been confused by this other MERS mortgage, which was paid and satisfied in like 2003 or '02, I believe.

THE COURT: All right. I just wanted --

MR. CONE: I object to any speculation he's made.

THE COURT: I understand that.

MR. CONE: But, I know I seem to be going through my Memorandum of Law and argument of counsel, but I haven't addressed everything in there.

THE COURT: Okay.

MR. CONE: And I want to make sure that some of the things that which are not addressed, I address at this time so it can be a property before the Court. I believe, and I'm not positive, you'd had to look at his brief, that Mr. O'Connor cited Rouvet v. Rouvet for the -- the fact was to consider under 60(b). But Rouvet v. Rouvet -- and I've got a copy of that here if the Court would like to hand up one?

THE COURT: I'll read it if you want me to. I'm -- I'm --

MR. CONE: I'm just -- that, that case was just --

THE COURT: I'll tell, Joe -- what was your name?

MR. SCHILLIZZI: Last name is Schillizzi.

THE COURT: Schillizzi? Tell the other lawyer, aspiring lawyer that to much knowledge of Rule 60(b) is probably a bad sign that a lawyer,

but I --

MR. SCHILLIZZI: That's true.

THE COURT: I have had some experience on one side or another on Rule 60(b) so I'm familiar with that line of cases.

MR. CONE: Yeah. But in Rouvet v. Rouvet, which I believe they mentioned in their brief, the S.C. Court of Appeals went on to state, "the movant in a 60(b) Motion has the burden of presenting evidence proving the facts essential to entitle her to relief." And there's other cases along that line. I say there's a total lack of evidence on that.

In McClung v. Deaton, I already have a copy of that if any of you wish me to hand it to you? The Supreme Court state, "it is well settled that the moving party in a 60(b) Motion has the burden of presenting evidence entitling him to relief. Memorandum in support of a motion is not evidence.

And on that basis we would ask the court not to take cognizance and object to any statements of fact, other than any exhibits which might be from the records of Jasper County.

THE COURT: I will instruct myself as every

judge instructs to finding of fact, that arguments of counsel are not evidence.

MR. CONE: Okay.

MR. O'CONNOR: Right. And, Your Honor, if I could just briefly respond to that? You know, the motion itself, I didn't have any exhibits to my Memo, but the motion itself has Exhibits A, B, C, D, E, F, and G. I think there's seven of them. And again, we kind of already went over this but the argument about the facts being wrong and that, I mean, that's something I'm just asking the Court to take judicial notice of by the fact that the property records support our position. So, I don't think that any further affidavits or evidence are necessary or required.

THE COURT: All right. I understand.

MR. O'CONNOR: That's our position.

MR. CONE: I would point out I didn't object to the exhibits, I objected to such portions of it as amounted to testimony or assertion.

THE COURT: Yeah, I understand. I understood you.

MR. RIVERS: Did I miss something?

THE COURT: No. He was reminding me that

arguments of counsel are not evidence, and I -- I will, I acknowledge that.

MR. CONE: All right. And I would also point out under Rule 60(b)(1) relief is within the sound discretion of the court and a ruling on such motion will not be disturbed absent or abuse of discretion, as when the trial judge was controlled by error of law or where his order is based on factual conclusions that are without evidentiary support. And I don't believe there's much evidentiary support for Mr. O'Connor's position, if any.

MR. O'CONNOR: I respectfully disagree.

MR. CONE: I understand. He, mister -- I quoted from Mr. O'Connor's Memorandum in my Memorandum of Law in arguing my counsel. And where it talks about excusable neglect is defined as a failure which the law will excuse to take some proper step at the proper time, especially in neglecting to answer a lawsuit, not because of the party's own careless inattention, but because of some unexpected or unavoidable hindrance or accident.

So, he had stated that's the standard and I stated he hadn't met it, but he had set that

standard in his own brief and the Memorandum admitted, submitted by MERS admits that MERS neglected it's right to file an answer stating, "MERS did admittedly neglect its rights under the mortgage by not immediately investigating, rebutting Plaintiff's false allegations and by failing to ensure that a timely response was filed".

So, he's admitting they neglected to investigate when they were served.

MR. O'CONNOR: It's not in dispute, Mr. Cone.

MR. CONE: So, there can be no excusable neglect when you fail to, willfully fail to investigate, then that is not excusable neglect.

Here MERS relies on the fact that their mortgage as recorded is not satisfied of record and that MERS relied on the assertion in Plaintiff's Complaint that the lien of MERS Mortgage was subordinate to Plaintiff's mortgage. There was no such assertion made. We made them -- had -- allegations based on information and belief that it was paid in full and or subordinate.

THE COURT: All right. Let me interrupt

you. As I understand it you admitted that's basically the same allegation as the three mortgages that were prior in time prior of recording --

MR. CONE: To Bank of Walterboro's mortgage.

THE COURT: -- and only one has questioned that?

MR. CONE: Contested it. All right.

THE COURT: Is that --

MR. CONE: That is correct.

THE COURT: Is that -- well, I was about to improperly ask a question: Is that common in your experience? But I won't, that would be calling you as a witness so I won't do that. However I would take judicial notice that not every mortgage that is satisfied gets marked satisfied. And to that extent there is now a remedial statute that allows under limited circumstances an attorney to file for satisfaction because presumably because the legislature recognizes you can't count on banks to do it.

MR. CONE: But I would point out that that statute only allows it when it has received a pay

off and --

THE COURT: Right. Right. I'm aware that it's a bit stringent.

MR. CONE: -- has funded that payoff of his own and has personal knowledge of that, which is not this case.

THE COURT: And there's only one person that could do that and he's deceased. As I understand it, he can't cite any lawyer, it's the lawyer that can check those boxes.

MR. CONE: Right.

THE COURT: Okay.

MR. CONE: The Complaint alleges that the Bank of Walterboro's mortgage was 2007. The Complaint further alleges that there were three mortgages, dated and recorded prior to the mortgage of the Plaintiff, of record against the individually owned property of Rosemelle M. Shuler and had made that assertion on information and belief.

And I've set out, for the Court's convenience, those three paragraphs.

THE COURT: Yes, sir. I understand. And I've read --

MR. CONE: -- paragraphs 10, 11 and 12.

THE COURT: I have read that and I will re-read it.

MR. CONE: And the assertion as to these three mortgages was made based on the fact that three mortgages were not listed in the Investor's Title Insurance commitment issued to the Bank of Walterboro prior to the Bank of Walterboro taking these mortgages, which are the subject of the action, but were listed in the abstract obtained by the attorney for the Bank of Walterboro from Advantage Title for the purpose of bringing it to foreclosure.

And I would point out that the Bank of Walterboro did not rely on the title insurance policy in order to figure, to determine who to make parties but had a abstract of title done, which has been submitted into evidences Court. Going back beyond the title policy, and that abstract showed three mortgages prior to the Bank of Walterboro, which were -- were not satisfied of record. And so, it didn't rely to the extent that it -- of bringing it's foreclosure based solely on the information contained in the title binder, but also on the abstract of title going back beyond the date of the title binder. And

the allegations of Paragraphs 10, 11, and 12 of plaintiff's Complaint were not based on a mistake of fact, but were made to allow the holders of those mortgages come forward in their answers to the Complaint and assert that their interest, including their interest under the mortgages, had not been paid in full and satisfied, and were not subordinate to the interest of Plaintiff. Nowhere in Paragraph 10, 11 and 12 of Plaintiff's Complaint did Plaintiff assert that the mortgages cited therein had ben satisfied or subordinated of record. The assertions were made based on information and belief to allow MERS and the other two mortgage holders shown on the record holding mortgages not satisfied of record to come forward. And I would assert that this is the typical way, and ask the Court to take judicial notice this is the typical way of pleading as to un-satisfied mortgages of record, when a Plaintiff seeking to foreclose a mortgage encounters such prior mortgages and has no information to allege otherwise. It allows those mortgage holders to come forward and assert their right under their mortgages. And I would also point out that in Paragraph 12 of the Complaint

the Bank specifically identified and set out relevant information to the mortgage which MERS held for BNC. I think the -- it set out the date and time of filing. And it set out the two assignments and their date and time of filing. And copies of that mortgage and the three assignments were attached to the Complaint to make sure that MERS knew which mortgage Plaintiff was referring to. And, as counsel for MERS has admitted, they didn't investigate. And I would point out that Plaintiff's attorney in drafting the Complaint did not consider or mention the mortgage previously held by MERS for CIT. The satisfaction of which MERS alleges was confused with and mistaken for the satisfaction of mortgage held by MERS System, Inc. as nominee for BNC Mortgage, Inc. The mortgage was satisfied. The satisfaction was not mentioned in the Plaintiff's Complaint or at the Hearing. And I would assert it could not and it was not and it could not have been confused by plaintiff or the Court with the mortgage held by MERS on behalf of CIT. The mortgage, basically the mortgage in satisfaction of the CIT mortgage could not have been confused with the mortgage held by Mortgage

Electronic Registration, Inc. is a nominee for BNC Mortgage, Inc. The mortgage that they were inferring to was the mortgage held by Mortgage Electronic Registration, Inc. as a nominee for CIT Group Consumer Financing.

THE COURT: Right.

MR. CONE: And there's a substantial difference in the name.

THE COURT: Right. Well, all of that is in your Memorandum. I'm -- I'm going to read it.

MR. CONE: But I'm adding extra facts.

THE COURT: Okay.

MR. CONE: Can I beg the Court's indulgence?

THE COURT: Okay. All right. I'm not trying to be rude, I'm just promising you I can read and I have read.

MR. CONE: And no affidavit or evidence has been presented to the Court by other parties to this action as evidence of the assertion made by MERS as nominee for BNC Mortgage as why it did not answer the Complaint or attend the Hearing.

In MERS Memorandum in Paragraph 12, Plaintiff -- as to the allegations of Paragraph 12 it, the Memorandum states, "MERS did not

discover this error until after the Decree was filed. Although MERS/BNC acknowledges that it might have had the opportunity to discover this error in time to prevent the error in the Decree". And it goes to allege the reasons that it's Rule 60(b) relief, (b)(2) relief. And the Memorandum states, "at some point just prior to or after the Hearing, MERS/BNC realized the error in Plaintiff's assertion that MERS/BNC held a junior and subordinate lien to the property". And I go on to mention about the conversations with Lee Lott. And I believe the exhibits show, and they'll have to speak for themselves that the affidavits that Mr. Lott said he'd have the South Carolina attorney for MERS contact me.

THE COURT: Yes, sir. I followed your timeline.

MR. CONE: All right. And I would point out that on June 6th, the 8th, and 16th -- on June 6th and 8th -- June 8th I called back. And June 16th was still within the appeal period and MERS/BNC could have filed an appeal. And is after -- is after, as asserted in the Memorandum as admitted by MERS, they received the Foreclosure Decree on May 27th. They could have

sought relief by appropriate motion or appeal. Then MERS asserts that if the Decree is not set aside MERS will suffer a forfeiture and will have no recourse to recover the loan debt owed to it. This is incorrect. It neglects to mention that it would still hold the promissory note, that the MERS/BNC mortgage security. So, they will have recourse to collect their debt. MERS/BNC asserts that Plaintiff will suffer no loss if its motion is granted. Plaintiff is -- I don't -- Bank of Walterboro has not filed a suit against Investor's Title and does not know that it can properly do so at this time.

And I would also point out that if all the relief granted including opening up the default of MERS is granted, Plaintiff will have expended sums to prosecute this action, which it would -- which can not be recovered in my opinion from Rosemelle Shuler if the relief granted. This, these expenses are -- have increased over the time period from the time they failed to answer the Affidavit of Default, which is also not required to be served under the Rules. The, subsequently, the Order of Default and Reference, which is not required to be served on parties

that it not aver on until today. So, their failure, if their default is opened, the amount of expenses the Bank of Walterboro has incurred from 2013 until the present would all come into play and would be -- would be a loss to the Bank of Walterboro, which I do not believe the law would allow to be recovered from Ms. Shuler. Plaintiff and the question -- my question, the second question about that MERS timely notified other parties of the action to the expanded basis of his motion, nobody has objected so I don't need to go through that. And in my Memorandum I said that the Bank of Walterboro didn't object, but I couldn't consent for other parties. And in the third question: Has MERS met the standard under Rule 60(a) and that is clerical mistakes. Clerical mistakes arising from oversight or omission may be corrected. There have been no clerical mistakes in Plaintiff's Complaint. Plaintiff did not allege that any of the three mortgages which pre-dated the Bank of Walterboro mortgage were satisfied or subordinated of record, only that the Bank of Walterboro was informed and believed that they were subordinate to the Bank of Walterboro's mortgage.

THE COURT: Well, I'm going to go ahead and rule. And I don't need any -- I might be wrong, but I'm going to go ahead and rule that 60(a) relative to clerical mistakes means clerical mistakes by the judge. And so I don't think that that's germane whether it's clerical mistakes by the title company, and clerical mistakes by Plaintiff, clerical mistakes by the Defendant under 60(a).

MR. CONE: All right. Now, I would point out that in its Memorandum and what has been said here today MERS being saved, alleges that it has a first position mortgage, first purchase-money mortgage, which the evidence before the Court clearly shows is not the case. Ms. Shuler acquired the property by two deeds; one in 1987 and the other in 2001. And the mortgage of Rosemelle Shuler to Lexington Capital, which MERS now holds was not signed until 2006. So I would expect Mr. O'Connor to want to correct it based on his concerns with ethics. And so what the --

THE COURT: Now, y'all confirm my recollection, a purchase-money mortgage is -- is an exception to the rule of first-in-time first-in-right; am I correct on that?

MR. CONE: Right. But the purchase-money mortgage would take priority of prior mortgages of record, prior lien -- not mortgage -- I don't know about that -- prior liens of record.

THE COURT: Prior liens?

MR. CONE: Such as taxes, judgements, et cetera.

THE COURT: So, there are exceptions to the first-in-time First-in-right Rule?

MR. CONE: Right.

THE COURT: Okay.

MR. CONE: And I believe that if you will look at the abstract and the records from Jasper County and the Complaint --

THE COURT: I will, but please don't read it to us on the record. I'll look at it.

MR. CONE: I'm not. But if you'll look at all of that --

THE COURT: Yes, sir.

MR. CONE: -- you'll see there's nothing in the Jasper County real estate records that would indicate MERS/BNC holds a purchase-money mortgage or that it holds a first mortgage, and according to those records without more it would be in a third position, the bank would be in fourth.

That's why this suit of foreclosure was framed as it was.

And I would object to no evidence has been given to open up default, or so as to allow MERS/BNC to answer, or to set aside the Default Judgement of 2014. They can request it but they were notified twice of that, of Hearings after that and they made no inquiry or anything else of record that shows itself, or any evidence as to inquiries to what was going on. It was only after the Decree was entered against them that they made any inquiry. They admit that they got that. They, in the Memorandum, they admit they got it. Plaintiff's counsel admits they got it. The record shows that they got it May 27th, the Decree. They did not take any action within the time to make appropriate motions for relief, and they did not take any action within the appeal period, even though Lee Lott contacted the -- from the record, contacted me about the matter within the appeal period. For those reasons we would say that definitely the Default should not be open so as to allow them to plead. And the Default Judgement, the Judgement, the Order declaring them in default in 2014 should not be

set aside. And I would also, those are, there's absolutely no evidence to do either one of those. As to vacating the Judgement of May 20, 2015 the Court will have to weigh whatever it determines, sees in its record for this matter as evidence about their failure to -- to answer the Complaint or appear.

THE COURT: Okay.

MR. CONE: And I would also point out that, and I don't know if I pointed it out in my brief or not, but the Memorandum states that -- I think it was Exhibit B to theirs -- showed that I had told the young lady who seemed to be a representative of MERS that they were in default, which was a correct statement and the --

MR. O'CONNOR: I'm going to object to this. I mean, the affidavits say what they say. It's not appropriate for you to describe or characterize them.

MR. CONE: I'm not arguing with counsel. It's in arguing of counsel it is permitted --

THE COURT: Well, let's give Mr. Rivers a chance. Mr. Rivers, is there anything, anything that hasn't been said yet?

MR. RIVERS: Just briefly because I had to

go call the president of my deer club to tell him I could not meet him at 4:00 o'clock to see where the deer stands are and now I'm going to have to call him to say I can't meet at 5:00 o'clock to go see where the deer stands are, and he's gone until deer season starts, so.

THE COURT: Oh, my goodness. Yeah, I think anybody -- I can't imagine that anybody left you anything unsaid that you can say that hasn't been said.

MR. RIVERS: I'm going to say very briefly, my client filed an answer and a counter-claim to this. Of course, we served the only other party that was out there, the Bank of Walterboro. And you can see from the documents in the record Mr. Cone had a ferocious dust-up for a couple of years. Finally, with the Hearing coming and there being no other party in this action but the Bank of Walterboro and my client, and frankly the Supreme Court making some law prospective about attorneys being present at the Hearings, I then withdrew all of my pleadings and stuff and allowed Mr. Cone to go forward at the Hearing as a default matter because that was the only party in evidence and that's why we did that. So, we

relied on the lack of action by MERS.

THE COURT: All right. So, it's your position you would be -- and I'm not sure this is part of the Rule 60, but your position that the plaintiff would be -- I mean, excuse me, that the co-defendant would be prejudiced by re-opening the --

MR. RIVERS: That is correct.

THE COURT: -- the judgement. All right.

MR. CONE: I would point out, and if I may, in that regard that the Bank of Walterboro based on the status of the matter waived the Deficiency Judgement against Rosemelle Shuler.

MR. RIVERS: That's correct, Your Honor, and that's in the record.

MR. O'CONNOR: Just very briefly in response.

THE COURT: Okay.

MR. O'CONNOR: And I'll be just like two, three minutes tops. Mr. Cone stated several times, five or six times, attempted to qualify his mistake in pleadings by saying that he pled them on information and belief, but I point out that there's been no evidence presented as to what that information and belief was based on

because it's certainly cannot have been based on any facts within the property records of Jasper County. So, what he's done, and he somewhat made an effort to explain it that, well, it's just the way you do it. You find these mortgages that we think or we hope are paid and satisfied, but we put them in the pleadings and allege that they're paid and satisfied and hope somebody shows up. But, I mean the facts and the evidence that we know now that were exhibits to the Motion demonstrate that we're first-in-time and first-in-right and that our mortgage was not paid and satisfied. And so, the fact that he qualifies it or attempts to qualify it by saying that it was upon information and belief, that's kind of water under the bridge at this point because at this point we know it's an error. We know it's a mistake of fact. And in fact, the Court has acted on it and issued a Decree that contains an error and we're on the verge of selling a property with the wrong position of lien holders. And -- and so, it is far beyond being able to qualify it at this point by saying what was on information and belief. I emphasize that I'm not alleging that Mr. Cone or Bank of

Walterboro ever made any knowing mistake of fact, but the fact is, the bottom line from the purpose of law and equity is that it was a mistake of fact and it misled the Court and it continues to be incorrect. And what they're doing now is seeking to have the Court award them that ill-gotten and ill-conceived judgement so that they can gain a windfall. His statement that "we have recourse in the form of a promissory note" is -- is form over substance.

THE COURT: I understand that.

MR. O'CONNOR: That's just -- we got nothing.

THE COURT: I understand that that's theoretical.

MR. O'CONNOR: And -- and -- yes, sir. And there's no way that we can, ever going to be able to recover on a promissory note.

MR. CONE: I object.

THE COURT: I agree that that's speculative --

MR. O'CONNOR: It's highly speculative.

THE COURT: -- and theoretically everybody pays their bills but in my experience that's not --

MR. O'CONNOR: Well, she's not capable of it and we know that. Everybody knows that. And -- and with regard to a title claim, a title claim is viable in this instance. I think the Court could take notice of that, but Investor's Title was the one that started the whole problem. And -- and, you know, with regard to that piece about who's first, who's second and who's third, let me please clarify on the record that to the extent that I asserted first versus second, I was only talking about MERS/BNC versus Bank of Walterboro. I was not talking about any other lien holders that may be ahead of both of us. We're only talking about who's first and who's second between these two.

THE COURT: Right.

MR. O'CONNOR: So, to the extent that that was not clear in my motion and in my brief.

THE COURT: No, I think your motion was perfectly clear and I think Mr. Cone's memo was perfectly clear.

MR. O'CONNOR: And -- and --

THE COURT: I think I'm perfectly clear on each of the party's --

MR. O'CONNOR: Yes, sir. And -- and two

very last quick points --

THE COURT: -- positions.

MR. O'CONNOR: Two very last quick points, if I may? Your Honor, you mentioned that -- that your interpretation or your understanding of Rule 60(a) is that it only refers to clerical errors of the Court. The jurisprudence of Rule 60(a) is it can be a clerical error of counsel, which is exactly what happened here.

THE COURT: All right. I will --

MR. O'CONNOR: So, we continue to contend that that's applicable.

THE COURT: I will look at that.

MR. O'CONNOR: And then lastly --

THE COURT: I'm not above learning something that's --

MR. O'CONNOR: Well, I'm not arguing with you, I'm just saying that's our position and I would ask you to please look at that.

And then lastly, Mr. Cone asserted several times that -- that, you know, that we should have timely appealed, but we -- if this was acted on within the 30 days the appropriate measure would have been to file this very motion that we filed. Because if you appeal you're -- you're having to

allege an error of law by the Court and that's not really what happened here. The Rule 60(a) as I mentioned at the very -- or 60(a) and 60(b) but primarily 60(b) as I mentioned at the outset, it is specifically designed for this kind of scenario where there's a mistake in the pleadings, somebody fails to answer it. But we're asking under the law and equity for the Court to just fix it and correct it so that the parties are in the right lien position. That's all we're asking, so that's it. That's all I've got.

THE COURT: Okay. All right. Well, let me re-read this stuff and I'll get y'all an answer very shortly.

MR. O'CONNOR: Thank you, Judge.

(E-mail with audio file attachment retained by Mr. O'Connor and not marked as an exhibit.)

(Deposition concluded at 4:25 p.m.)

STATE OF SOUTH CAROLINA)

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

COUNTY OF BEAUFORT)

I, Sabre Bridgers, Court Reporter and Notary Public, certify that I did have the aforementioned parties to appear before me at 2:30 o'clock p.m. on Thursday, July 23, 2015, at the offices of Darrell Thomas Johnson, Jr., Hardeeville, South Carolina; that the witness was sworn and cautioned to tell the truth, the pages constitute a true and accurate transcript of the testimony given at that time and place.

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

IN WITNESS WHEREOF, I have hereunto set my hand and seal this the 21st day of October, 2015.

_____

Sabre Bridgers

Notary Public for South Carolina

My Commission Expires: February 2,2020

STATE OF SOUTH CAROLINA
COUNTY OF JASPER
IN THE COURT OF COMMONS PLEAS
NOTICE OF SPECIAL REFEREE SALE
CIVIL ACTION NO. 2013-CP-27-00253
(DEFICIENCY WAVED)

BY VIRTUE of the Decree of the Court of Common Pleas for Jasper County in the action entitled Bank of Walterboro, Plaintiff vs. Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue, Defendants, C/A No. 2013-CP-27-00253, I will sell to the highest bidder for cash before the Courthouse door in Ridgeland, Jasper County, South Carolina, on Thursday (day of week) July 9 (month and day), 2015 at 11:00 o'clock A.M., or as soon thereafter as practicable, the following described property, situated in Jasper County, South Carolina, to wit:

PARCEL A:

ALL that certain piece, parcel or lot of land, situate, lying and being in the county of Jasper, State of South Carolina, and being known and designated as Lot B of the Oak Park Subdivision, Phase III, as shown on a plat prepared by R. L. Sensenbach, R.L.S., which is recorded in Plat Book 12 at Page 453, in the Office of the Clerk of Court for Jasper County, South Carolina, and being described in accordance with said plat as follows: On the Northwest for a distance of Two Hundred Fifty (250.0') feet by Lot C, of said subdivision; On the Northeast for a distance of One Hundred Twenty (120.0') feet by the right-of-way of a paved fifty-foot (50') street; On the Southeast for a distance of Two Hundred Fifty (250.0') feet by Lot A of said subdivision; and On the Southwest for a distance of One Hundred Twenty (120.0') feet by lands of F. A. Nimmer.

Subject to Restrictions and Covenants which are recorded in Deed Book 68 at Page 211 in the Office of the Clerk of Court for Jasper County, South Carolina

This being the same property conveyed to Rosemelle M. Shuler and Charles Bush by deed of Tracy R. Cleland dated March 1, 2007 and recorded October 29,2007, in Deed Book 602 at Page 74, in the Office of the Clerk of Court for Jasper County, South Carolina. Charles Bush, one of the Grantee's in that deed is also known as and one and the same person as Charles E. Bush.

TMS # 046-32A-03-008

PARCEL B:

ALL that certain piece, parcel or tract of land, lying and being in the County of Jasper, State of South Carolina, containing One (1.00) acre, and being bounded and described as follows: On the Northeast for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; On the Southeast for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by a fifty (50') foot street; On the Southwest for a distance of One Hundred Fourteen and Five Tenths (114.50') feet by the right-of-way of S.C. Hwy. S-175; and On the Northwest for a distance of Three Hundred Eighty-Seven and Forty-Seven Hundredths (387.47') feet by other lands of Margaret Ferguson, Sarah Johnson and Mary Hugue; For a more particular description, reference is asked to that plat by Forrest F. Baughman, R.L.S. dated May 2, 1983 and recorded in Plat Book 16 at Page 480 in the Office of the Clerk of Court for Jasper County, South Carolina.

This being the same tract conveyed an interest was conveyed to Rosemelle M. Shuler by deed of the United States of America, Department of Agriculture dated December 2, 1987 and recorded December 2, 1987 in Deed Book 92 at page 750, in the Office of the Clerk of Court for Jasper County, South Carolina; and the same property in which an interest was conveyed to Rosemelle M. Shuler by quitclaim deed of Henrietta Perry dated June 7, 2001 and recorded June 21, 2001 in Deed Book 238 at page 249 in the Office of the Clerk of Court for Jasper County, South Carolina.

TMS # 062-00-05-017

The highest bidder at the sale, other than the Plaintiff, will be required to deposit five (5%) percent of the bid as earnest money, the same to be credited on the purchase price when compliance is had or else forfeited in the event of noncompliance. If the person making the highest bid at the sale, other than the Plaintiff, fails to make such deposit immediately at the time of the acceptance of his bid, then the premises shall at once be resold at such bidder's risk on the same sales day, or upon some subsequent sales day at the option of the Plaintiff's attorney. If the last high bidder making the deposit herein required fails to comply with his bid within *thirty (30) days from the date of the sale, without legal excuse being duly shown, then such deposit shall be delivered to the Plaintiff and retained by Plaintiff as liquidated damages and the premises shall thereafter be resold, upon the same terms as herein set out and at such purchaser's risk, on some subsequent sales day to be designated by the Plaintiff or

Plaintiff's attorney, but without prejudice to the rights of the Plaintiff to require compliance by law if it so be advised. All rights to a deficiency judgment having been waived, the bidding will not be held open after the sale and compliance therewith may be had immediately after the sale herein ordered.

The purchaser shall pay for the preparation and recording of all papers and for revenue stamps and shall be responsible for and pay all taxes and assessments due at the time of sale or thereafter in that the sale is made subject to the same.

The Sale will not take place if the Plaintiff, a representative of Plaintiff or Plaintiff's attorney is not present at the time and place of sale or has not advised the Special Referee of its bidding instructions.

NOTICE: The Special Referee's Deed to the winning bidder will not contain a warranty of title. The property is sold as is. Before bidding, prospective bidders should make such examination of title and such other inquiries into the status of the title of the property being sold and its appurtenances and the condition of the property being sold as bidder deems appropriate.

Darrell Thomas Johnson, Jr.,
Special Referee

20 day of May, 2015.

Ridgeland, South Carolina

INSTRUCTIONS TO PUBLISHER: THE JASPER COUNTY SUN

Please publish on Thursday, June 18, 2015 and
on Thursday, June 25, 2015 and
on Thursday, July 2, 2015

Please forward the invoice for the same to:

George W. Cone
McLeod Fraser & Cone LLC
Post Office Box 230
Walterboro, SC 29488
MFC/GWC: #34756-12-L

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	NOTICE OF HEARING WITH FINALITY
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	
Defendants.	)	

MFC File #34756-12-L

TO: R. THAYER RIVERS, JR., ATTORNEY FOR ROSEMELLE M. SHULER, DEFENDANTS CHARLES E. BUSH AKA CHARLES BUSH, FIRST FAMILY FINANCIAL SERVICES OF GEORGIA, INC., EQUIFIRST CORPORATION, MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR BNC MORTGAGE, INC.:

YOU WILL PLEASE TAKE NOTICE THAT a hearing with finality will be held in the above matter by the Honorable Darrell Thomas Johnson, Jr., Jasper County Special Referee, at his office located at 300 Main Street, Hardeeville, SC 29927, in Jasper County, South Carolina on Wednesday, May 20, 2015, at 2:00 p. m. and that said Special Referee is authorized to enter a final judgment in the case.

MFC 41

IF YOU ARE NOT PRESENT, THE PLAINTIFF MAY BE AWARDED THE RELIEF PRAYED FOR WITHOUT YOUR CONSENT OR APPROVAL. BE PRESENT IF YOU BE SO MINDED.

George W. Cone, SC BAR #1354
McLeod Fraser & Cone LLC
111 E. Washington Street
Post Office Box 230
Walterboro, SC 29488
Telephone (843) 549-2516
Attorneys for Plaintiff

May 6th, 2015
Walterboro, South Carolina

MFC
#7

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	Certificate of Service By Mailing
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	
Defendants.	)	

MFC File #34756-12-L

I hereby certify that a copy of the documents set forth below were served by me on counsel or party listed below by mailing a copy of same, postage prepaid and properly addressed, and deposited in the United States Post Office at Walterboro, South Carolina on this the 6th day of May, 2015.

DOCUMENT(S) SERVED: **COPY OF NOTICE OF HEARING WITH FINALITY**

COUNSEL SERVED:

R. Thayer Rivers, Jr.
Attorney at Law
252 Russell Street
P.O. Box 668
Ridgeland, SC 29936
Attorney for Rosemelle M. Shuler

PARTIES SERVED:

Charles E. Bush aka
Charles Bush
390 Church Street
Hardeeville, SC 29927

C T CORPORATION SYSTEM as Registered Agent
for First Family Financial Services, Inc.,
successor by merger to First Family Financial
Services of Georgia, Inc.
2 Office Park Court
Columbia, S.C. 29223

CT CORPORATION SYSTEM as Registered Agent
for EquiFirst Corporation
150 Fayetteville Street, Box 1011
Raleigh, North Carolina 27601

The Corporation Trust Company as
Registered Agent for Mortgage Electronic
Registration Systems, Inc.
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

Darrell Thomas Johnson, Jr., LLC
Special Referee
300 Main Street
P.O. Box 1125
Hardeeville S.C. 29927

Linda C. Jordan

SWORN to before me this

6 day of May, 2015.

(SEAL)
Notary Public for South Carolina
My commission expires:: 6/7/16

2014 OCT 16 AM 9:20

CLE
JASPER

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	Non-Jury Foreclosure
Bank of Walterboro, Plaintiff, vs. Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue, Defendants.	NOTICE OF RE-SCHEDULED HEARING WITH FINALITY 2013-CP-27-00253

MFC File #34756-12-L

TO: R. THAYER RIVERS, JR., ATTORNEY FOR ROSEMELLE M. SHULER, DEFENDANTS CHARLES E. BUSH AKA CHARLES BUSH, FIRST FAMILY FINANCIAL SERVICES OF GEORGIA, INC., EQUIFIRST CORPORATION, MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR BNC MORTGAGE, INC.:

YOU WILL PLEASE TAKE NOTICE THAT a hearing with finality will be held in the above matter by the Honorable Darrell Thomas Johnson, Jr., Jasper County Special Referee, at his office located at 300 Main Street, Hardeeville, SC 29927, in Jasper County, South Carolina on Wednesday, November 12, 2014, at 2:00 p. m. and that said Special Referee is authorized to enter a final judgment in the case.

POSTED 10/16/14

IF YOU ARE NOT PRESENT, THE PLAINTIFF MAY BE AWARDED THE RELIEF PRAYED FOR WITHOUT YOUR CONSENT OR APPROVAL. BE PRESENT IF YOU BE SO MINDED.

George W. Cone, SC BAR #1354
McLeod Fraser & Cone LLC
111 E. Washington Street
Post Office Box 230
Walterboro, SC 29488
Telephone (843) 549-2516
Attorneys for Plaintiff

October 15th, 2014
Walterboro, South Carolina

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	Certificate of Service By Mailing
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	
Defendants.	)	

I hereby certify that a copy of the documents set forth below were served by me on counsel or party listed below by mailing a copy of same, postage prepaid and properly addressed, and deposited in the United States Post Office at Walterboro, South Carolina on this the 15th day of October, 2014.

DOCUMENT(S) SERVED: COPY OF RE-SCHEDULED NOTICE OF HEARING WITH FINALITY

COUNSEL SERVED:

R. Thayer Rivers, Jr.
Attorney at Law
252 Russell Street
P.O. Box 668
Ridgeland, SC 29936

PARTIES SERVED:

Charles E. Bush aka
Charles Bush
390 Church Street

POSTED 10/16/14

MERS000384

Hardeeville, SC 29927

C T CORPORATION SYSTEM as Registered Agent
for First Family Financial Services, Inc.,
successor by merger to First Family Financial
Services of Georgia, Inc.
2 Office Park Court
Columbia, S.C. 29223

CT CORPORATION SYSTEM as Registered Agent
for EquiFirst Corporation
150 Fayetteville Street, Box 1011
Raleigh, North Carolina 27601

The Corporation Trust Company as
Registered Agent for Mortgage Electronic
Registration Systems, Inc.
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

Linda C. Jordan

SWORN to before me this

15th day of October, 2014.

(SEAL)
Notary Public for South Carolina
My commission expires:: 6/7/16

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	Non-Jury Foreclosure
Bank of Walterboro, Plaintiff, vs. Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue, Defendants.	NOTICE OF HEARING WITH FINALITY 2013-CP-27-00253

MFC File #34756-12-L

TO: R. THAYER RIVERS, JR., ATTORNEY FOR ROSEMELLE M. SHULER, DEFENDANTS CHARLES E. BUSH AKA CHARLES BUSH, FIRST FAMILY FINANCIAL SERVICES OF GEORGIA, INC., EQUIFIRST CORPORATION, MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR BNC MORTGAGE, INC.:

YOU WILL PLEASE TAKE NOTICE THAT a hearing with finality will be held in the above matter by the Honorable Darrell Thomas Johnson, Jr., Jasper County Special Referee, at his office located at 300 Main Street, Hardeeville, SC 29927, in Jasper County, South Carolina on Tuesday, October 21, 2014, at 1:00 p. m. and that said Special Referee is authorized to enter a final judgment in the case.

POSTED 7/17/14

IF YOU ARE NOT PRESENT, THE PLAINTIFF MAY BE AWARDED THE RELIEF PRAYED FOR WITHOUT YOUR CONSENT OR APPROVAL. BE PRESENT IF YOU BE SO MINDED.

George W. Cone, SC BAR #1354
McLeod Fraser & Cone LLC
111 E. Washington Street
Post Office Box 230
Walterboro, SC 29488
Telephone (843) 549-2516
Attorneys for Plaintiff

September 16th, 2014
Walterboro, South Carolina

STATE OF SOUTH CAROLINA	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF JASPER	)	Non-Jury Foreclosure
Bank of Walterboro,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	Certificate of Service By Mailing
	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as Nominee for BNC Mortgage, Inc. and South Carolina Department of Revenue,	)	2013-CP-27-00253
	)	
Defendants.	)	

I hereby certify that a copy of the documents set forth below were served by me on counsel or party listed below by mailing a copy of same, postage prepaid and properly addressed, and deposited in the United States Post Office at Walterboro, South Carolina on this the 16th day of September, 2014.

DOCUMENT(S) SERVED: COPY OF NOTICE OF HEARING WITH FINALITY

COUNSEL SERVED:

R. Thayer Rivers, Jr.
Attorney at Law
252 Russell Street
P.O. Box 668
Ridgeland, SC 29936

PARTIES SERVED:

Charles E. Bush aka
Charles Bush
390 Church Street
Hardeeville, SC 29927

POSTED
DATE 9/17/14
MB 000388

C T CORPORATION SYSTEM as Registered Agent
for First Family Financial Services, Inc.,
successor by merger to First Family Financial
Services of Georgia, Inc.
2 Office Park Court
Columbia, S.C. 29223

CT CORPORATION SYSTEM as Registered Agent
for EquiFirst Corporation
150 Fayetteville Street, Box 1011
Raleigh, North Carolina 27601

The Corporation Trust Company as
Registered Agent for Mortgage Electronic
Registration Systems, Inc.
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

Linda C. Jordan

Linda C. Jordan

SWORN to before me this

16th day of September, 2014.

(SEAL)

Notary Public for South Carolina
My commission expires:: 6-7-16

RECEIVED
SEP 29 2015
SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM JASPER COUNTY
Court of Common Pleas

Darrell Thomas Johnson, Jr., Special Referee

Case No. 2013-CP-27-00253

Bank of Walterboro,.....Respondent,

v.

Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue, Defendants,

Of Whom Mortgage Electronic Registration Services, Inc. is.....Appellant.

NOTICE OF APPEAL

Mortgage Electronic Registration Systems, Inc. ("MERS"), Appellant, appeals the order of the Honorable Darrell Thomas Johnson, Jr., Special Referee, signed on August 25, 2015, and filed with the Clerk of Court of Jasper County on August 26, 2015, denying MERS' motion to vacate and set aside final judgment of foreclosure and sale. A copy of the order is attached hereto. Appellant received written notice of entry of the order on September 22, 2015.

Dated this 24th day of September, 2015

Sean A. O'Connor
FINKEL LAW FIRM LLC
4000 Faber Place Drive, Suite 450
North Charleston, SC 29405
Telephone: (843) 577-5460
Attorney for Appellant

RECEIVED
SEP 29 2015
SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM JASPER COUNTY
Court of Common Pleas

Darrell Thomas Johnson, Jr., Special Referee

Case No. 2013-CP-27-00253

Bank of Walterboro,.....Respondent,

v.

Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue, Defendants,

Of Whom Mortgage Electronic Registration Services, Inc. is.....Appellant.

NOTICE OF APPEAL

Mortgage Electronic Registration Systems, Inc. ("MERS"), Appellant, appeals the order of the Honorable Darrell Thomas Johnson, Jr., Special Referee, signed on August 25, 2015, and filed with the Clerk of Court of Jasper County on August 26, 2015, denying MERS' motion to vacate and set aside final judgment of foreclosure and sale. A copy of the order is attached hereto. Appellant received written notice of entry of the order on September 22, 2015.

Dated this 24th day of September, 2015

Sean A. O'Connor
FINKEL LAW FIRM LLC
4000 Faber Place Drive, Suite 450
North Charleston, SC 29405
Telephone: (843) 577-5460
Attorney for Appellant

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

RECEIVED
SEP 29 2015
SC Court of Appeals

APPEAL FROM JASPER COUNTY
Court of Common Pleas

Darrell Thomas Johnson, Jr., Special Referee

Case No. 2013-CP-27-00253

Bank of Walterboro,.....Respondent,

v.

Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue, Defendants,

Of Whom Mortgage Electronic Registration Services, Inc. is.....Appellant.

NOTICE OF APPEAL

Mortgage Electronic Registration Systems, Inc. ("MERS"), Appellant, appeals the order of the Honorable Darrell Thomas Johnson, Jr., Special Referee, signed on August 25, 2015, and filed with the Clerk of Court of Jasper County on August 26, 2015, denying MERS' motion to vacate and set aside final judgment of foreclosure and sale. A copy of the order is attached hereto. Appellant received written notice of entry of the order on September 22, 2015.

Dated this 24th day of September, 2015

Sean A. O'Connor
FINKEL LAW FIRM LLC
4000 Faber Place Drive, Suite 450
North Charleston, SC 29405
Telephone: (843) 577-5460
Attorney for Appellant

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF JASPER	)	Civil Action No.: 2013-CP-27-00253
Bank of Walterboro,	)	
Plaintiff,	)	CERTIFICATE OF SERVICE
v.	)	
Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue,	)	
Defendants.	)	

RECEIVED
SEP 28 2015
SC Court of Appeals

I hereby certify that on the 24th day of September, 2015, a copy of the *Notice of Appeal* was served upon the following individual(s) by mailing a copy of the same with sufficient first class postage affixed thereto and addressed as follows. (Charles E. Bush, Milton G. Kimpson, Esq., Equifirst Corporation and First Family Financial Services, Inc. were served on September 25, 2015.)

The Honorable Darrell Thomas Johnson, Jr.
Special Referee, County of Jasper
Law Office of Darrell Thomas Johnson, Jr., LLC
Post Office Box 1125
Hardeeville, South Carolina 29927

George W. Cone, Esq.
McLeod Fraser & Cone LLC
Post Office Box 230
Walterboro, SC 29488
Attorney for Plaintiff

Charles E. Bush
390 Church Street
Hardeeville, SC 29927
Defendant Pro Se

Milton G. Kimpson, Esq.
Office of Gen. Counsel for Tax and Reg. Services
SC Department of Revenue
PO Box 12265
Columbia, SC 29211

Equifirst Corporation
c/o CT Corporation System, Registered Agent
150 Fayetteville Street, Box 1011
Raleigh, NC 27601
Defendant

R. Thayer Rivers, Jr., Esq.
Attorney at Law
P.O. Box 668
Ridgeland, SC 29936
Attorney for Defendant Rosemelle M. Shuler

First Family Financial Services, Inc., successor by merger to First Family Services of Georgia, Inc.
c/o CT Corporation System, Registered Agent
2 Office Park Court
Columbia, SC 29223
Defendant

Bank of Walterboro v. Charles E. Bush et al.
Civil Action No. 2013-CP-27-00253
CERTIFICATE OF SERVICE

Stephanie N. Adamsky
Litigation Paralegal
FINKEL LAW FIRM LLC
4000 Faber Place Drive, Suite 450
North Charleston, South Carolina 29405
T: 843-577-5460
F: 866-800-7954

RECEIVED
AUG 31 2016
SC Court of Appeals

IN THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM JASPER COUNTY

Darrell Thomas Johnson, Jr., Special Referee

Appellate Case No. 2015-002049
Civil Action No. 2013-CP-27-00253

Bank of Walterboro, ... Plaintiff,

v.

Charles E. Bush aka Charles Bush, Rosemelle M. Shuler, First Family Financial Services of Georgia, Inc., EquiFirst Corporation, Mortgage Electronic Registration Systems, Inc. as nominee for BNC Mortgage Inc., and South Carolina Department of Revenue, ... Defendants,

Of which Mortgage Electronic Registration Systems, Inc., as nominee for BNC Mortgage Inc., is the Appellant,

and

Bank of Walterboro and Rosemelle M. Shuler are the Respondents.

CERTIFICATE OF COUNSEL

I certify that the Record on Appeal contains all material proposed to be included by any of the Parties and not any other material.

Respectfully submitted,

Sean A. O'Connor
FINKEL LAW FIRM LLC
4000 Faber Place Drive, Suite 450
North Charleston, South Carolina 29405
(843) 577-5460
soconnor@finkellaw.com
Attorneys for Appellant

August 29, 2016
Charleston, South Carolina