

THE STATE OF SOUTH CAROLINA

In the Court of Appeals

APPEAL FROM BEAUFORT COUNTY

Court of Common Pleas

Marvin H. Dukes, III

Master in Equity and Circuit Court Judge

Case No. 2011-CP-07-01778

Appellate Case No. 2014-002712

RECEIVED

FEB 23 2016

SC Court of Appeals

BENJAMIN GECY Appellant,

v.

SOUTH CAROLINA BANK & TRUST, JAIME HAMNER
and DEBORAH HAMNER Respondents.

RECORD ON APPEAL

VOLUME III

(Pages 442 to 660)

Robert V. Mathison, Jr.
Mathison & Mathison
Post Office Box 5271
Hilton Head Island, SC 29938
ATTORNEYS FOR APPELLANT
BENJAMIN GECY

Thomas A. Holloway, Esquire
Harvey & Battey, P.A.
Post Office Box 1107
Beaufort, SC 29901
ATTORNEYS FOR RESPONDENT
SOUTH CAROLINA BANK & TRUST

James J. Wegmann, Esquire
Weidner, Wegmann & Harper, LLC
6 Professional Village Circle
Beaufort, SC 29907
ATTORNEYS FOR RESPONDENTS
JAIME HAMNER and DEBORAH
HAMNER

C E R T I F I C A T E

STATE OF GEORGIA:

CHATHAM COUNTY:

I, Kyle J. Saniga, Court Reporter and
Notary Public in and for the above county and
state, do hereby certify that the foregoing
testimony was taken before me at the time and
place herein-before set forth; that the witness
was by me first duly sworn to testify to the
truth, the whole truth, and nothing but the
truth, that thereupon the foregoing testimony
was later reduced by computer transcription; and
I certify that this is a true and correct
transcript of my stenographic notes so taken.

I further certify that I am not of
counsel to either party, nor interested in the
event of this cause.

Kyle J. Saniga, CCR

Notary Public, B-2038

Savannah, Georgia

COASTAL COURT REPORTING & VIDEO SERVICES
POST OFFICE BOX 7349 HILTON HEAD, SOUTH CAROLINA 29938
HILTON HEAD - BEAUFORT - SAVANNAH
843-785-7739 - FAX 843-785-5837

442

Lender Concerns, Continued

002

Can the DE Underwriter highlight the required repairs on the appraisal if they write on the conditional commitment – “see attached appraisal” or do the required repairs have to be listed on the Conditional Commitment?

The DE Underwriter can highlight the required repairs, inspection conditions noted in the appraisal and write the notation “see attached appraisal” on the Conditional Commitment form, or they may list the required repairs, alterations or inspection on form HUD-92800.5B (Conditional Commitment Direct Endorsement Statement of Appraised Value).

003

If conditions or physical deficiencies are found, are repair estimates still required on all items?

Repair estimates are required for those items that may represent a risk to the health and safety of the occupants and/or the soundness or structural integrity of the property. The appraiser must indicate the extent of repairs and note this in the appropriate section of the appraisal, or in the “additional comments” section, or in an addendum. The estimated cost to cure is noted together with the required repairs.

004

Are private road maintenance agreements still required?

FHA is no longer requiring evidence of a joint maintenance agreement, recorded or otherwise, but still requires evidence of a permanent easement. The appraiser should ask if a maintenance agreement exists and comment on the condition of the private road or lane, especially if it is in inferior condition.

Continued on next page

**PLAINTIFF'S
EXHIBIT**

JACBS

12 SW
18 7/13
Hayes

When recorded, return to:
SCBT
Attn: Final Document Department
700 Gervais Street, Suite E
Columbia, SC 29201

This document was prepared by:
SCBT
700 Gervais Street, Suite E
Columbia, SC 29201

BEAUFORT COUNTY SC - ROD
BK 03294 PGS 0785-0796
FILE NUM 2013072998
12/23/2013 03:18:52 PM
REC'D BY S WASHINGTON RCPT# 731785
RECORDING FEES 18.00

PLAINTIFF'S
EXHIBIT

Handwritten signature/initials

LOAN #: 30231307053118

[Space Above This Line For Recording Data]

CASE #: 19-19-6-0441591

MORTGAGE

MIN 1001266-0002013490-8

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 **December 16, 2013**, together with all Riders to this document.

(B) "Borrower" is **ROBERT E. WALTERS JR**

Borrower is the mortgagor under this Security Instrument.

(C) "MERS" is 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 Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, Michigan 48501-2026, tel. (888) 679-MERS.

(D) "Lender" is **SCBT**.

Lender is a Corporation,
South Carolina,
Columbia, SC 29201

organized and existing under the laws of
Lender's address is **700 Gervais Street, Suite E**,

(E) "Note" means the promissory note signed by Borrower and dated **December 16, 2013**. The Note states that Borrower owes Lender **ONE HUNDRED THIRTY SEVEN THOUSAND THREE HUNDRED NINETY ONE AND NO/100** Dollars (U.S. **\$137,391.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **January 1, 2044**.

(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(G) "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.

(H) "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 | ☐ Other(s) [specify] |
| ☐ 1-4 Family Rider | ☐ Biweekly Payment Rider | |
| ☒ V.A. Rider | | |

(I) "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.



444

(J) "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.

(K) "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.

(L) "Escrow Items" means those items that are described in Section 3.

(M) "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.

(N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(O) "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.

(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 1024), 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.

(Q) "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 MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS the following described property located in the **County** [Type of Recording Jurisdiction] of **Beaufort**.

[Name of Recording Jurisdiction]:

SEE EXHIBIT "A" ATTACHED HERETO

which currently has the address of **12 Hester Lane, Beaufort,**

[Street] [City]

South Carolina **29907**

("Property Address"):

[Zip Code]

TO HAVE AND TO HOLD this property unto MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, 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 understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, 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 Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument:

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



445

by Lender as payment under the Note or this 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.



446

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 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.



447

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. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground 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



448

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



449

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.



450

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



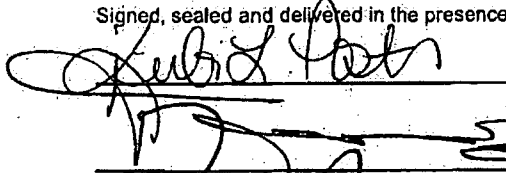
451

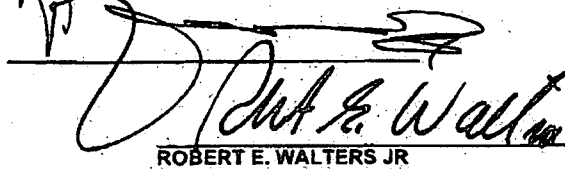
APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY. This waiver shall not apply so long as the Property is used as a dwelling place as defined in § 12-37-250 of the South Carolina Code of Laws.

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.

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:

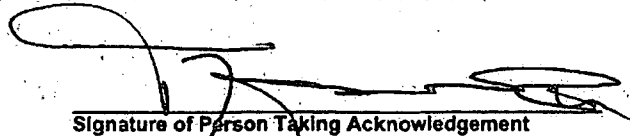



ROBERT E. WALTERS JR

12-16-13 (Seal)
DATE

State of SOUTH CAROLINA
County of BEAUFORT

The foregoing instrument was acknowledged before me this DECEMBER 16, 2013 (date) by ROBERT E. WALTERS JR (name of person acknowledged).



Signature of Person Taking Acknowledgement

Title or Rank

My commission expires:



452

LOAN #: 30231307053118
CASE #: 19-19-6-0441591
MIN: 1001266-0002013490-8

VA GUARANTEED LOAN AND ASSUMPTION POLICY RIDER

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.

THIS VA GUARANTEED LOAN AND ASSUMPTION POLICY RIDER is made this 16TH day of December, 2013, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt (herein "Security Instrument") dated of even date herewith, given by the undersigned (herein "Borrower") to secure Borrower's Note to SCBT

(herein "Lender")
and covering the Property described in the Security Instrument and located at
12 Hester Lane
Beaufort, SC 29907

VAGUARANTEED LOAN COVENANT: In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of Borrower and Lender. Any provisions of the Security Instrument or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations, including, but not limited to, the provision for payment of any sum in connection with prepayment of the secured indebtedness and the provision that the Lender may accelerate payment of the secured indebtedness pursuant to Covenant 18 of the Security Instrument, are hereby amended or negated to the extent necessary to conform such instruments to said Title or Regulations.

LATE CHARGE: At Lender's option, and as allowed by applicable state law, Borrower will pay a "late charge" not exceeding four per centum (4%) of the overdue payment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured hereby.

GUARANTY: Should the Department of Veterans Affairs fail or refuse to issue its guaranty in full amount within 60 days from the date that this loan would normally become eligible for such guaranty committed upon by the Department of Veterans Affairs under the provisions of Title 38 of the U.S. Code "Veterans Benefits," the Mortgagee may declare the indebtedness hereby secured at once due and payable and may foreclose immediately or may exercise any other rights hereunder or take any other proper action as by law provided.

TRANSFER OF THE PROPERTY: This loan may be declared immediately due and payable upon transfer of the property securing such loan to any transferee, unless the acceptability of the assumption of the loan is established pursuant to Section 3714 of Chapter 37, Title 38, United States Code.

An authorized transfer ("assumption") of the property shall also be subject to additional covenants and agreements as set forth below:

(a) **ASSUMPTION FUNDING FEE:** A fee equal to one-half of 1 percent (.50%) of the balance of this loan as of the date of transfer of the property shall be payable at the time of transfer to the loan holder or its authorized agent, as trustee for the Department of Veterans Affairs.

VA GUARANTEED LOAN AND ASSUMPTION POLICY RIDER
Ellie Mae, Inc.

Page 1 of 2

Initials: *[Signature]*
P8751ASR 0311
P8751ASR
12/12/2013 02:00 PM PST



453

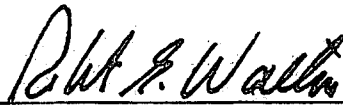
LOAN #: 30231307053118

Affairs. If the assumer fails to pay this fee at the time of transfer, the fee shall constitute an additional debt to that already secured by this instrument, shall bear interest at the rate herein provided, and, at the option of the payee of the indebtedness hereby secured or any transferee thereof, shall be immediately due and payable. This fee is automatically waived if the assumer is exempt under the provisions of 38 U.S.C. 3729 (c).

(b) ASSUMPTION PROCESSING CHARGE: Upon application for approval to allow assumption of this loan, a processing fee may be charged by the loan holder or its authorized agent for determining the creditworthiness of the assumer and subsequently revising the holder's ownership records when an approved transfer is completed. The amount of this charge shall not exceed the maximum established by the Department of Veterans Affairs for a loan to which Section 3714 of Chapter 37, Title 38, United States Code applies.

(c) ASSUMPTION INDEMNITY LIABILITY: If this obligation is assumed, then the assumer hereby agrees to assume all of the obligations of the veteran under the terms of the instruments creating and securing the loan. The assumer further agrees to indemnify the Department of Veterans Affairs to the extent of any claim payment arising from the guaranty or insurance of the indebtedness created by this instrument.

IN WITNESS WHEREOF, Borrower(s) has executed this VA Guaranteed Loan and Assumption Policy Rider.


ROBERT E. WALTERS JR

12-16-13 (Seal)
DATE

VA GUARANTEED LOAN AND ASSUMPTION POLICY RIDER

Ellie Mae, Inc.

Page 2 of 2

P8751ASR 0311

P8751ASR

12/12/2013 02:00 PM PST



454

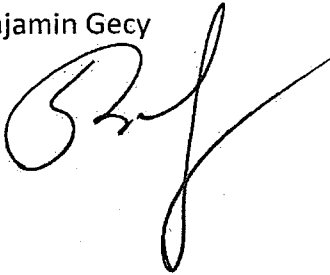
February 11, 2014 Time: 2:18 PM
RE: Case #2011-CP-07-01778

To the defendant Thomas A. Hollaway and James Wegman, I Benjamin Gecy hereby supplement plaintiffs exhibit 23 (previously marked as: SCB&T Answers to Interrogatories dated August 15, 2011) with SCB&T second answers to Interrogatories, Production Request and Request to Admit, received from defendant on Saturday Feb. 8th 2014.

This substitution is necessary as plaintiff documented the record mistakenly. Both plaintiff and defendant agreed that no testimony had been taken or given on the answers dated August 15, 2011 nor the answers received February 8th, 2014.

I Benjamin Gecy swear and affirm that these facts are true to the best of my knowledge.

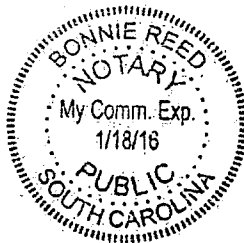
Benjamin Gecy



PLAINTIFF'S
EXHIBIT

Notary - Bonnie Reed
Bonnie Reed

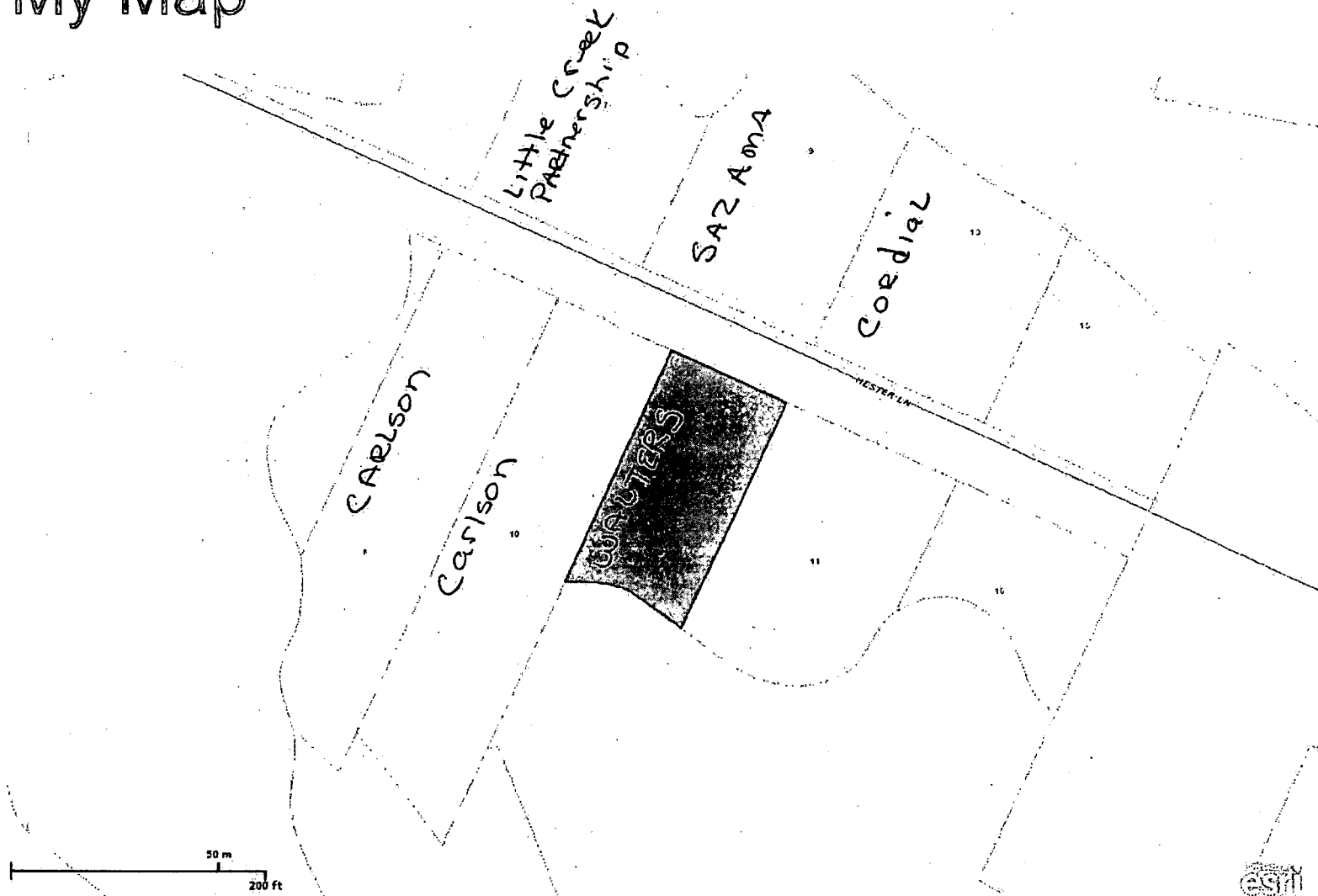
2/11/14



PLAINTIFF'S
EXHIBIT

34
JACOBS

My Map



Copyright 2011 Esri. All rights reserved. Tue Feb 11 2014 08:56:31 AM.

**PLAINTIFF'S
EXHIBIT**

Handwritten signature/initials

13
19
Mike
53rd

BEAUFORT COUNTY SC - ROD
BK 03186 PGS 0446-0458
FILE NUM 2012062781
10/26/2012 04:42:18 PM
REC'D BY S SMITH RCPT# 692604
RECORDING FEES 19.00

After Recording Return To:
SCBT
FINAL DOCUMENT DEPARTMENT
700 GERVAIS STREET, STE E
COLUMBIA, SC 29201
LOAN #: 30231209045862

PLAINTIFF'S
EXHIBIT
JACOB

This Instrument was prepared by:

[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 OCTOBER 25, 2012, together with all Riders to this document.

(B) "Borrower" is ROBERT E. WALTERS JR.

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is SCBT.

Lender is a CORPORATION,
SOUTH CAROLINA,
STE E, COLUMBIA, SC 29201.

organized and existing under the laws of
Lender's address is 700 GERVAIS STREET,

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated OCTOBER 25, 2012. The Note states that Borrower owes Lender *****ONE HUNDRED THIRTY TWO THOUSAND SEVEN HUNDRED AND NO/100 ***** Dollars (U.S. \$132,700.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than NOVEMBER 1, 2043.

(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 | ☐ Other(s) [specify] |
| ☐ 1-4 Family Rider | ☐ Biweekly Payment Rider | |
| ☐ V.A. 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 any Initials: *RM*



458

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. §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.

(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 [Type of Recording Jurisdiction] of

Beaufort

(Name of Recording Jurisdiction):

SEE EXHIBIT "A" ATTACHED HERETO

which currently has the address of 12 Hester Lane, Beaufort,

[Street] [City]

South Carolina 29907 ("Property Address"):

[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 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 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

Initials: *[Signature]*



459

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, instrumentally, 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

Initials: *[Signature]*



460

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 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

Initials: *[Signature]*



461

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. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground 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 1986 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

Initials: John



462

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

Initials: *RM*



463

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, instrumentally 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 the new Loan Servicer

Initials: *[Signature]*



464

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 spill, 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:

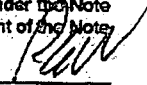
22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (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 appraised value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. TO THE EXTENT PERMITTED BY LAW, THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY. This waiver shall not apply so long as the Property is used as a dwelling place as defined in § 12-37-250 of the South Carolina Code of Laws.

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: 



465

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:

[Signature]
[Signature]

Robert E. Walters Jr (Seal)
 Robert E. Walters Jr

State of SOUTH CAROLINA
 County of BEAUFORT

The foregoing instrument was acknowledged before me this
March 25, 2012 (date) by Robert E. Walters Jr (name of person
 acknowledged).

Tramont L. Hargrett
 Print Name of Person Taking Acknowledgement
[Signature]
 Signature of Person Taking Acknowledgement
 NOTARY PUBLIC
 Title or Rank
My commission expires: 1/1/14



466

FIXED/ADJUSTABLE RATE RIDER
(One-Year Treasury Index-Rate Caps)

THIS FIXED/ADJUSTABLE RATE RIDER is made this 25TH day of OCTOBER, 2012 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 Fixed/Adjustable Rate Note (the "Note") to scor

("Lender") of the same date and covering the property described in the Security Instrument and located at: 12 Hester Lane, Beaufort, SC 29907.

THE NOTE PROVIDES FOR A CHANGE IN BORROWER'S FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THE NOTE LIMITS THE AMOUNT THE BORROWER'S ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE 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. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial fixed interest rate of 3.750%. The Note also provides for a change in the initial fixed rate to an adjustable rate, as follows:

4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The initial fixed interest rate I will pay will change to an adjustable interest rate on the 1ST day of NOVEMBER, 2012 and the adjustable interest rate I will pay may change on that day every 12TH month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change, is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called 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 THREE AND ONE-FOURTH percentage point(s) (3.250%) 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 new 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 5.750% or less than 3.250%. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than TWO percentage point(s) (2.000%) from the rate.



467

of interest I have been paying for the preceding 12 month(s). My interest rate will never be greater than 9.750%.

LOAN #: 30231209045862

(E) Effective Date of Changes

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.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my monthly payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

1. Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument shall read as follows:

Transfer of the Property to 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.

2. When Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument described in Section B1 above shall then cease to be in effect, and the provisions of Uniform Covenant 18 of the Security Instrument shall be amended to read as follows:

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. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.



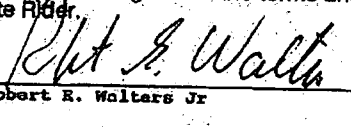
468

LOAN #: 30231209045862

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, 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.

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


Robert E. Walters Jr (Seal)

MULTISTATE FIXED/ADJUSTABLE RATE RIDER-ONE-YEAR TREASURY INDEX-Single Family-First Mortgage Uniform Instrument
Form 5102 1/01

© 1999-2007 Online Documents, Inc.

Page 3 of 3

F3102ROU 0705



469

**PLAINTIFF'S
EXHIBIT**

*JF
JACOBS*

Search by Street Address...



Search by

Property ID (PIN)

Street Address

Print View

Alternate ID (AIN)

Legal Description

Sales

Owner Name

Functions

County Home →

Welcome

Real Property

Personal Property

Vehicle Tax

Shopping Cart

Help

Feedback

County Login

Parcel ID	Address	Owner Name
R111 009 000 0013 0001	1 CHESTER DR, Town of Port Royal	LEVERTON STEPHI
R200 018 000 0194 0000	7 HESTER LN	LITTLE CREEK PAF
R200 018 000 0195 0000	9 HESTER LN	SAZAMA DONALD
R200 018 000 0196 0000	13 HESTER LN	CORDIAL NOEL GF
R200 018 000 0197 0000	15 HESTER LN	GALLION MELANIE
R200 018 000 0198 0000	17 HESTER LN	GALLION MELANIE
R200 018 000 0200 0000	8 HESTER LN	CARLSON LAWREN
R200 018 000 0201 0000	10 HESTER LN	CARLSON LAWREN
R200 018 000 0202 0000	12 HESTER LN	WALTERS ROBERT
R200 018 000 0203 0000	14 HESTER LN	LITTLE CREEK PAF
R200 018 000 0204 0000	16 HESTER LN	LITTLE CREEK PAF
R600 023 00D 0452 0000	1 MANCHESTER CT	HAZINSKI JOHN J
R600 023 00D 0453 0000	3 MANCHESTER CT	WHITE CYNTHIA E
R600 023 00D 0454 0000	5 MANCHESTER CT	CLARK MERRELL F
R600 023 00D 0455 0000	7 MANCHESTER CT	SACKS LARRY TRU
R600 023 00D 0456 0000	9 MANCHESTER CT	EDWARDS JAMES
R600 023 00D 0457 0000	11 MANCHESTER CT	FITZGERALD LIND
R600 023 00D 0458 0000	13 MANCHESTER CT	PETERS DAVID R F
R600 023 00D 0459 0000	15 MANCHESTER CT	BELFAIR 712 LLC
R600 023 00D 0460 0000	17 MANCHESTER CT	TOLERTON J TERF
R600 023 00D 0461 0000	19 MANCHESTER CT	GAGLIANO PHILIP
R600 023 00D 0462 0000	21 MANCHESTER CT	MURRAY KAREN
R600 023 00D 0463 0000	23 MANCHESTER CT	ORTH JOHN J PAM
R600 023 00D 0464 0000	25 MANCHESTER CT	LINMAN ROBERT E
R600 023 00D 0465 0000	27 MANCHESTER CT	US BANK AS C/F S
R600 023 00D 0466 0000	29 MANCHESTER CT	GRINDSTAFF ANN

470

1
2 IN THE COURT OF COMMON PLEAS
3 FOURTEENTH JUDICIAL CIRCUIT
4 STATE OF SOUTH CAROLINA
5 COUNTY OF BEAUFORT

6 BENJAMIN GECY,
7 Plaintiff,

8
9
10 vs.

CIVIL ACTION NUMBER
2011-CP-07-1778

11
12
13
14 SOUTH CAROLINA BANK & TRUST,
15 JAIME HAMNER AND DEBORAH HAMNER,
16 Defendants.
17 -----/

18 The deposition of JAIME HAMNER, a
19 witness in the above-entitled cause, taken
20 pursuant to Notice and agreement, before Kyle J.
21 Saniga, Certified Court Reporter and Notary
22 Public, at the Offices of GMC Mortgage, 1857
23 Ribaut Road, Port Royal, South Carolina, on the
24 10th day of February 2014, commencing at or
25 about the hour of 9:10 a.m.

1
2 APPEARANCES OF COUNSEL:

3 PRO SE:

4 BENJAMIN GECY
5 GMC Mortgage Services
6 1857 Ribaut Road
7 Port Royal, South Carolina 29935
8 ben@beaufortlending.com
9 843.441.0668

10 FOR THE DEFENDANT SOUTH CAROLINA BANK and
11 TRUST:

12 THOMAS A. HOLLOWAY, ESQUIRE
13 Harvey & Battey, PA
14 1001 Craven Street
15 Beaufort, South Carolina 29902
16 tholloway@harveyandbattey.com
17 843.524.3109

18 FOR THE DEFENDANTS JAIME AND DEBORAH HAMNER:

19 JAMES J. WEGMANN, ESQUIRE
20 Mikell, Weidner, Wegmann & Harper, LLC
21 6 Professional Village Circle
22 Beaufort, South Carolina 29907
23 wegmannj@beaufortlaw.com

24 ALSO PRESENT:

25 Doug Jacobs
Bruce VanHorn
Deborah Hamner

I N D E X

PAGE

EXHIBIT INDEX ----- 4-5

OPENING REMARKS AND STIPULATIONS ----- 6

DIRECT EXAMINATION:

By Mr. Gecy ----- 6

CROSS-EXAMINATION:

By Mr. Holloway ----- 251

CROSS-EXAMINATION:

By Mr. Wegmann ----- 252

REDIRECT EXAMINATION:

By Mr. Gecy ----- 253

CERTIFICATE ----- 256

COASTAL COURT REPORTING & VIDEO SERVICES

POST OFFICE BOX 7349 HILTON HEAD, SOUTH CAROLINA 29938

HILTON HEAD - BEAUFORT - SAVANNAH

843-785-7739 - FAX 843-785-5837

473

D O C U M E N T A R Y E V I D E N C E

<u>NUMBER</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
PX-1	Map & easement documents, 10 pages	31
PX-2	Uniform Residential Loan Application	73
PX-3	E-mail from Jaime Hamner to Ben Gecy, dated January 14, 2010	101
PX-4	E-mail from Deborah Hamner to Ben Gecy, dated January 14, 2010	101
PX-5	Uniform Residential Appraisal Report	115
PX-6	Statement of Credit Denial, Termination or Change	135
PX-7	Agreement to buy and sell Real estate residential	152
PX-8	New Construction contract	162
PX-9	Agreement to buy and sell real estate (for general use and lots/acreage)	162
PX-10	New Construction contract	163
PX-11	Agreement to buy and sell real estate (for general use and lots/acreage)	163
PX-12	FHA/VA Amendatory Clause and Certifications	189
PX-13	Letter from Frampton Harper to Ben Gecy, (cc' Jaime and Deborah Hamner), dated July 13, 2010	197
PX-14	Answer and Counterclaim of Jaime and Deborah Hamner	208

1

2

DOCUMENTARY EVIDENCE

3

NUMBER	DESCRIPTION	PAGE
--------	-------------	------

4

PX-15	SCB&T's Notice of Motion and Motion for Summary Judgement	213
-------	---	-----

5

PX-16	"Exhibit A"	213
-------	-------------	-----

6

PX-17	Joinder in Defendant SCB&T Notice of Motion and Motion for Summary Judgement by Defendants Jaime Hamner and Deborah Hamner	217
-------	--	-----

7

8

9

PX-18	E-mail from Jaime Hamner to Ben Gecy, dated March 27, 2010	230
-------	--	-----

10

11

PX-19	Property MLS Number 12880, with closing date May 28, 2010	244
-------	---	-----

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 GECY - HAMNER (DIRECT EXAMINATION)

2 JAIME HAMNER,

3 having been produced and first duly sworn as a
4 witness, testified as follows:

5 DIRECT EXAMINATION

6 BY MR. GECY:

7 Q This is the deposition of James Hamner,
8 defendant in Civil Case Number 2011-CP-07-1778
9 conducted by Benjamin Gecy, pro se for
10 plaintiff, February 10th 2014.

11 Mr. Hamner, let's go over just a few
12 housekeeping rules here before we get started.
13 You do understand your testimony's under oath
14 today, correct?

15 A Yes.

16 Q If you do not understand one of my
17 questions please do not answer it, ask me to
18 rephrase it and only ask me. You're not allowed
19 to ask your attorney. Do you understand that?

20 A Yes.

21 Q Please make verbal responses when you
22 answer a question or do not understand one.
23 Head nods and head signals will not work for the
24 reporter. We would like to record your response
25 there.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 As I mentioned, you do understand that
3 I'm conducting this as a pro se litigant?

4 A Yes.

5 Q Do you know what a pro se litigant is?

6 A You're representing yourself.

7 Q Okay. Do you think I'm allowed to do
8 that?

9 A I don't know the answer to that.

10 Q Okay, all right. Please state your
11 full name.

12 A Jaime Ray Hamner.

13 Q Are you known by any other names or
14 aliases?

15 A No.

16 Q Where were you born?

17 A Visalia, California.

18 Q Do you still have a residency in
19 California?

20 A No.

21 Q Do you have a driver's license from the
22 State of California?

23 A No.

24 Q Please give me your educational
25 background from beginning to end.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A Grade school, high school, a few
3 classes in college.

4 Q Can you state where you attended those
5 schools, please.

6 A Lemoore, California, Beaufort, South
7 Carolina.

8 Q What was the high school?

9 A Lemoore. Lemoore.

10 Q High school?

11 A All the way to high school was all in
12 Lemoore, elementary, middle, high.

13 Q Can you state exactly which schools you
14 went to in those towns or cities?

15 A Lemoore Elementary, Engvall, went to
16 Middle School and Lemoore High School.

17 Q Okay. Did you attend college anywhere?

18 A I did some online classes.

19 Q Okay. Who was that with?

20 A With Phoenix, I think it was.

21 Q Phoenix online?

22 A Yeah, University of Phoenix.

23 Q What year did you graduate from high
24 school?

25 A '91.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. What year did you enroll in the
3 Phoenix program?

4 A 2010.

5 Q What was the curriculum or subject
6 matter that you were studying?

7 A General education.

8 Q General education?

9 A Just my -- general requirements.

10 Q Okay.

11 A Some English, math.

12 Q Okay. What were you trying to obtain
13 by re-enrolling or enrolling in a college
14 program? Were you pursuing a degree?

15 A Nothing specific.

16 Q What was the purpose of enrolling for a
17 college program in 2010?

18 A It was time to try to get a college
19 degree before I retired from the Marines.

20 Q Okay. Who was paying for that?

21 A The -- whatever the education office
22 program is on base.

23 Q So maybe a GI Bill program or something
24 like that?

25 A I'm not sure the name of the program.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 It was -- I don't think it was the GI Bill.

3 Q Okay. Do you have any hopes of -- are
4 you continuing that program now? Are you still
5 enrolled?

6 A No.

7 Q Okay. When did you discontinue or
8 terminate your enrollment there?

9 A 2011.

10 Q Okay. How many classes or semesters
11 did you complete with Phoenix?

12 A Four, six.

13 Q Four or six classes or semesters?

14 A Four to six classes.

15 Q Okay.

16 A So whatever, maybe three semesters,
17 two semesters.

18 Q Tell me exactly what those classes were
19 that you completed.

20 A I don't recall the name of the exact
21 classes. I know there was a general college
22 class. I know there was a history class. I
23 know there was an English class but what
24 nomenclature I don't know.

25 Q Okay. Did you take any real estate

1 GECY - HAMNER (DIRECT EXAMINATION)
2 classes?
3 A No.
4 Q Did you take any banking classes?
5 A No.
6 Q Did you take contractual classes,
7 business contracts?
8 A No.
9 Q Business classes?
10 A No.
11 Q Lawyer classes?
12 A No.
13 Q Law classes?
14 A No.
15 Q Anything -- did you take any classes
16 dealing with any type of real estate
17 transactions?
18 A No.
19 Q Okay. What were your grades in those
20 four to six classes?
21 A A.
22 Q In every one of them?
23 A Every class.
24 Q Okay, great. So I understand you were
25 in the military. What was your enlist date in

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the military?

3 A September 3rd 1991.

4 Q Did you go to boot camp?

5 A Yes.

6 Q What branch of service did you enroll
7 in, enlist in?

8 A United States Marines Corps.

9 Q Okay. How many years did you serve in
10 the Marine Corps?

11 A 20 years.

12 Q Okay. And are you retired now?

13 A Yes.

14 Q Okay. What was your retirement date?

15 A My actual retirement date or when my
16 contract with the Marine Corps ended?

17 Q Both.

18 A My retirement date was July 2nd 2011
19 and the end of my active service was
20 October 31st 2011.

21 Q Do you have any plans of enlisting back
22 in the military?

23 A No.

24 Q Okay. What was your final ranking?

25 A Gunnery Sergeant.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q And that rank is described as what?

3 A E7.

4 Q E7. Is Gunnery Sergeant the same thing
5 as a Master Sergeant? Which rank is lower or
6 higher?

7 A The Master Sergeant would be higher.

8 Q Okay. Is that an officer?

9 A No.

10 Q Have you ever been an officer in the
11 military?

12 A No.

13 Q Did you ever have any hopes of becoming
14 an officer in the military?

15 A No.

16 Q Did you ever have any problems that
17 prohibited you from becoming an officer in the
18 military?

19 A No.

20 Q Okay. So the retirement date 7-2 2011,
21 is that the same thing as the discharge date
22 from the military or would that be the 10-31
23 2011?

24 A My discharge date? What do you mean by
25 'discharge date'?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q I guess -- I'm asking you, do you --
3 what is a discharge in the military, when you
4 get discharged from the military?

5 A I'm not sure I understand that
6 question.

7 Q Can you be discharged from the
8 military?

9 A Everybody has a discharge date but I
10 would consider a retirement different than a
11 discharge.

12 Q Okay. What is a discharge? Why is it
13 different?

14 A My understanding of a discharge means
15 that there's no retirement benefits, but just
16 discharged they have fulfilled their required
17 completion dates with the military at that
18 point, four years, eight years. Everybody has
19 something different but if you make it all the
20 way to your retirement I guess you could say I
21 mean all my retirement papers it says, I
22 believe, I have a certificate of discharge, of
23 an honorable discharge. It says retirement, it
24 doesn't say discharge.

25 Q So you did get an honorable discharge

1 GECY - HAMNER (DIRECT EXAMINATION)

2 from the military?

3 A Yes.

4 Q So there is a -- you did receive some
5 type of discharge?

6 A Yes.

7 Q Okay, okay.

8 A I don't have that paperwork.

9 Q Yeah, okay, great. Did you ever have
10 any violations while you were in the military?

11 A Never.

12 Q No write-ups?

13 A Never.

14 Q Any honors? Awards?

15 A Numerous personal awards.

16 Q State some of those for the record,
17 please.

18 A Navy Achievement Medal, Navy
19 Accommodation Medal, Mentor of Service Medal,
20 Outstanding Military Volunteer Service Medal,
21 various good conduct medals.

22 Q And what were those all relating to and
23 was it your line of work or was that battle in
24 combat or?

25 A It was my line of work.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q What was your line of work in the
3 military?

4 A I started in the Marines Corps band and
5 then transferred into the instrument repair, the
6 financial logistics, things like that for the
7 band field. That was what I did for the last
8 ten years.

9 Q Did you ever serve in any combat in any
10 war?

11 A No.

12 Q So all your medals and honors were
13 based around your participation in the band,
14 music field associated with what division of the
15 military do they call that?

16 A Rephrase that for me.

17 Q Your medals and honors that you
18 received were based around your employment in I
19 guess you said the band.

20 What field is that considered in the
21 military, the band or where you worked? Is
22 there a -- is there a -- is that called a
23 certain division?

24 A It's the Marine Corps band, it's a --

25 Q Okay. It's just a Marine Corps band?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A Yeah.

3 Q Okay. Did you have any specific titles
4 being in the Marine Corps band? Were you like a
5 conductor or drum -- play the drums or?

6 A Instrument repair technician.

7 Q Instrument repair, okay. So you
8 repaired all the instruments when there was a
9 problem?

10 A (Witness nods head.)

11 Q You kept them in good working order?

12 A Yes.

13 Q Okay. And in the first five years of
14 the military, this is after you got out of boot
15 camp you immediately went into the band area of
16 music, repair area?

17 A Upon completion of boot camp and
18 completion of the music school I was in the band
19 for -- as a musician for ten years.

20 Q Okay. And then I guess you got
21 elevated with your ranking, which moved you up
22 to instrument repair and anything else? Any
23 other responsibilities you had in the military
24 outside of dealing with just the band?

25 A No. Just normal military stuff. Same

1 GECY - HAMNER (DIRECT EXAMINATION)

2 requirement for any staffing C-O, even Marines.

3 Q Okay. Have you ever been arrested?

4 A No.

5 Q Have you ever been involved in a
6 lawsuit?

7 A Besides this one, no.

8 Q Okay. Have you ever sued another
9 person?

10 A No.

11 Q All right. Have you discussed this
12 case with anyone, other than your attorney after
13 its filing?

14 A No.

15 Q Nobody else, not even your wife?

16 A My wife, yeah. I thought you meant in
17 a legal capacity. No, I've talked to my wife.

18 Q No. I'm not referencing any other
19 attorneys.

20 A Okay.

21 Q I'm saying anyone, absolutely anyone,
22 your mother, your father, your sister, your --
23 anybody, have you discussed this case with
24 anyone besides your attorney or attorneys?

25 A I can't recall if I've talked to

1 GECY - HAMNER (DIRECT EXAMINATION)

2 anyone. I know I've talked to my wife. I'm
3 going to say that was about it.

4 Q What was the subject matter of those
5 conversations with your wife?

6 A Subject matter was we didn't have a
7 home and we were trying our best to try to get
8 this thing to go through and when this didn't go
9 through what we were going to do. The rental
10 house we were in was kicking us out so pretty
11 stressed out at the time so after numerous
12 contracts expired we had to find a place to
13 live.

14 Q So there were a lot of emotions. You
15 guys were concerned?

16 A I can say there were a lot of emotions,
17 yes.

18 Q Okay. Nobody else you've talked to
19 since the filing of this lawsuit?

20 MR. HOLLOWAY: Objection to the
21 form of the question.

22 BY MR. GECY:

23 Q You've spoken to no one else, besides
24 your wife in reference to this -- your attorney
25 and your wife.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Other than your attorney and your wife,
3 have you spoken to anyone else about this case?

4 A It's been four years. I can't recall
5 if I've talked -- I'm sure I've probably talked
6 to someone but I couldn't tell you a name.

7 Q Do you remember what you could have
8 talked to them about?

9 A Maybe, I couldn't give you an exact but
10 maybe my frustrations of the -- how all of this
11 transpired, how we didn't have a house, how we
12 put down a lot of money, we did not get a house
13 out of the deal. Exact conversations it's been
14 a long time. I can't tell you exactly if --
15 like I said, if we had conversations.

16 Q Any of those conversations deal with
17 Mr. Gecy?

18 A GMC Mortgage.

19 Q What did GMC Mortgage have to do with
20 the transaction?

21 A GMC Mortgage was where I came to start
22 all of this, this deal.

23 Q What role did they play in this
24 transaction?

25 A I saw a magazine ad and a picture of a

1 GECY - HAMNER (DIRECT EXAMINATION)

2 house so I contacted the number that said GMC
3 Mortgage on it. I think there was another name,
4 too, River something.

5 Q Maybe River City Developers? River
6 City Real Estate?

7 A Maybe River -- one of those two. It
8 was in a Beaufort magazine. Looked like a nice
9 house. Looked like something we wanted so we
10 made phone calls.

11 Q So you thought you were dealing with
12 GMC Mortgage?

13 A Yes.

14 Q Okay. Who was the representative you
15 called at that time?

16 A Yourself.

17 Q When you say 'yourself' who is that?

18 A Ben Gecy.

19 Q Okay. I know this is a little weird
20 for you but if you could try to refer to me in
21 the third person it might make it a little
22 clearer for the record but I'll assume that if
23 you say 'you' you mean Benjamin Gecy and I'll
24 try to correct you if we run into that.

25 So you contacted GMC Mortgage about a

1 GECY - HAMNER (DIRECT EXAMINATION)

2 house for sale?

3 A House being built.

4 Q A house being built. But it was an
5 illustration of a house that was being marketed
6 for sale?

7 A Yes, it was a picture of a house.

8 Q Okay. And you called the mortgage
9 company that you thought was selling that home
10 or building that home?

11 A Yes.

12 Q Okay. Now, I just asked if you had
13 spoken to anyone about this case besides your
14 wife and your attorneys.

15 Have you spoken to Doug Jacobs about
16 this case since its filing?

17 A Since its filing? I talked to Doug
18 Jacobs during the whole process since the
19 filing. I'm sure I've talked with Doug.

20 Q So he could be one of the ones that you
21 really couldn't remember that you had spoke to
22 someone about the case?

23 A Possibly.

24 Q Okay. So there's possibly some
25 conversations between you and Doug, after the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 April 5th, April 6th expiration of the contract
3 extension date and February 10th 2014, is that
4 fair to say?

5 A It's fair to say that we had
6 conversations but not about this case. I think
7 Doug Jacobs was -- after this deal expired
8 beyond the contract extensions and we had to
9 find a house Doug was still my loan officer, I
10 believe, for my next property Karin Woodman, who
11 I signed up with from -- as my real estate
12 referred me back to SCB&T.

13 Q Okay. Well, you just testified that
14 you did talk to Doug about this case since its
15 filing.

16 MR. HOLLOWAY: Objection to the
17 form of the question.

18 BY MR. GECY:

19 Q Your previous statements before that
20 you said that you did speak with Doug Jacobs
21 about the case.

22 MR. WEGMANN: Same objection.

23 BY MR. GECY:

24 Q We'll move on from that.

25 Have you spoken to Doug Jacobs in the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 last month?

3 A Yes.

4 Q What was the subject matter of that
5 conversation?

6 A I believe I called to say hello.

7 Q Did you talk about this case?

8 A I don't believe so.

9 Q You don't believe so?

10 A I don't believe so.

11 Q Okay. Did Doug talk about this case?

12 A No.

13 Q Okay. Have you talked to Doug Jacobs
14 in the last week?

15 A I said hello to Doug at your
16 deposition, I believe -- was that within a week,
17 roughly? That's the last time I saw him.

18 Q Have you spoken to him in the last
19 ten days?

20 A Only at your deposition.

21 Q Okay. Did you guys discuss anything
22 dealing with this lawsuit or this case that
23 we're dealing with today?

24 A On that day I believe we did -- we
25 might have had a conversation.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Tell me about that conversation. What
3 was discussed?

4 A What was discussed? I know we
5 discussed -- it wasn't much. I might have
6 discussed with him that I still thought that I
7 wish I could have got this property. That I
8 believed it was a good piece of property. Many
9 times I walked on it. I mean it was our -- it
10 was our whole goal was we really wanted the
11 land. Still pains me that we didn't get it.

12 Q So it sounds like you really wanted
13 this transaction to go through to purchase that
14 property?

15 A I did. I did. It was very painful we
16 didn't get it. It was -- in my opinion, it was
17 the perfect nice wooded lot away from town but
18 it was still surrounded by town, kind of best of
19 both worlds.

20 Q Very unique piece of property, isn't
21 it?

22 A I liked it. I liked it and my wife
23 liked it.

24 Q Are there many other pieces like that
25 in the Lady's Island area?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I couldn't answer that. That's really
3 the only piece of property I've ever looked at,
4 honestly, besides the house I owned before and
5 the house I live in now. We don't really drive
6 around much.

7 Q So going back to my original statement
8 that I asked you if you and Doug had spoken
9 about this case, for the record, you guys have
10 discussed -- you guys have had a conversation?

11 A To answer that question, I -- we did
12 talk about the house and the land, so yes.

13 Q So the answer is yes?

14 A (Witness nods head.)

15 Q Okay, thank you, all right.

16 Anyone else that you may recall about
17 speaking about this case, Diana Chalmers, have
18 you spoken to her about this case?

19 A Who is she? I don't know --

20 Q You don't know who Diana Chalmers is?

21 A No, I don't.

22 Q You signed an affidavit that was in
23 support of an affidavit that she signed that
24 we're going to get to a little bit but you don't
25 know who Diana Chalmers is?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 MR. HOLLOWAY: Objection to the
3 form of the question.

4 BY MR. GECY:

5 Q You've never met Diana Chalmers?

6 MR. HOLLOWAY: Objection to the
7 form of the question.

8 BY MR. GECY:

9 Q Have you ever met Diana Chalmers?

10 A I don't recall the name. If -- I will
11 say that this is a person that maybe lived on
12 that street or saw that we had -- we, being you
13 and myself tried to get this deal to close,
14 maybe I know that person, but personally I don't
15 know the name nor do I recognize the name.

16 Q Have you made contact with everyone on
17 Meridith Lane at some point in time passing out
18 road maintenance agreements or soliciting
19 residents of Meridith Lane to sign a road
20 maintenance agreement?

21 A I met five families. I personally
22 don't know them but on your direction I had met
23 five people, five families who I think lived on
24 that road and handed them the road maintenance
25 agreements that you gave me.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q So you contacted all five of those?

3 MR. HOLLOWAY: Objection to the
4 form of the question.

5 THE WITNESS: 'Contacted'? You
6 mean did I pass out an agreement to
7 them, physically?

8 BY MR. GECY:

9 Q Did you actually meet those people and
10 make contact with them?

11 A Yes.

12 Q Okay.

13 A I don't know their names though.

14 Q Okay, that's fine, that's fine. And I
15 directed you to do that? Benjamin Gecy directed
16 you to do that?

17 A That was the discussion we had when
18 this agreement -- Benjamin Gecy let me know that
19 some of the residents on Meridith were not on
20 the best terms with you if -- I don't remember
21 the exact details but something about a
22 division, subdivision they didn't like it. I
23 asked 'What can I do to help? What do I need to
24 do to smooth this over?'

25 We talked about this road maintenance

1 GECY - HAMNER (DIRECT EXAMINATION)

2 agreement. I took it after whoever drafted it.

3 I met with a few people, all the people. I gave
4 them a copy of it.

5 Q So you volunteered for that?

6 MR. HOLLOWAY: Objection to the
7 form of the question.

8 BY MR. GECY:

9 Q Did you volunteer to pass out the road
10 maintenance agreements?

11 A I don't think I volunteered. I think
12 it was eager to help push this however we needed
13 to make this happen. I think at the time I felt
14 that if you weren't in the best relationships
15 with these folks maybe I could help by talking
16 to them, letting them know that --

17 Q So you don't consider that
18 volunteering?

19 A No, I --

20 Q Assisting?

21 A I assisted. I think that would be a
22 better term. I didn't come here looking to
23 assist but that opportunity arose. I think you
24 thought that would be helpful to help make this
25 happen so I did it.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q All right. While we're on that let's
3 go to an exhibit here.

4 I want you to take a look at that right
5 there.

6 MR. WEGMANN: Do you want to have
7 it marked?

8 MR. GECY: Not yet.

9 BY MR. GECY:

10 Q Does this look like Meridith Lane?

11 MR. HOLLOWAY: I object.

12 MR. GECY: What are you objecting
13 to?

14 MR. HOLLOWAY: If the witness is
15 testifying to a document it has to be
16 in the record.

17 MR. GECY: No, it doesn't. I can
18 mark these after the record if I want.
19 I don't have to mark those right now.

20 MR. HOLLOWAY: If the witness is
21 testifying to a document that will be
22 part of his testimony the document
23 should be in the record.

24 MR. GECY: Okay. Well, I disagree
25 with that.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 MR. HOLLOWAY: All right.

3 MR. GECY: Okay. But we'll mark
4 them just for that.

5 (Whereupon, Plaintiff's Exhibit
6 Number 1 was marked for
7 identification.)

8 BY MR. GECY:

9 Q Jaime, I printed this from the Beaufort
10 County website. This is an overhead view of the
11 general area of Meridith Lane, the seven acres
12 surrounding properties Francis Marion Circle,
13 James Burns and multiple other parcels.

14 You're somewhat familiar with that area
15 because you said you went out --

16 A I --

17 Q -- physically and you passed out road
18 maintenance agreements or other documents and
19 you walked the seven acres. You said you liked
20 the property. You were familiar with it, I
21 assume?

22 A Yes.

23 MR. WEGMANN: Object to the form.

24 BY MR. GECY:

25 Q Did you ever walk the property with Mr.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Gecy?

3 A You drove me out there.

4 Q Okay. We viewed the property, you and
5 Mr. Gecy viewed the property at some point in
6 time?

7 MR. HOLLOWAY: Objection to the
8 form of the question and let me just
9 say -- I don't want to keep objecting
10 to your deposition because we'll be
11 here all day with this one witness but
12 proper form of the question is a
13 question not a statement so I would ask
14 you to do that so I don't have to
15 continue the object.

16 MR. GECY: Yeah and I don't want
17 the record to be muddy, either, so I'll
18 do my best with that. Thank you.

19 BY MR. GECY:

20 Q Did you and I visit the property, the
21 seven acres on Meridith Lane?

22 A Yes.

23 Q Did you visit the property on your own,
24 at any other point in time?

25 A Yes.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Do you know where Meridith Lane is
3 located in the Royal Pines subdivision?

4 A I know where Meridith -- yes.

5 Q Have you personally walked Meridith
6 Lane?

7 A I've walked on Meridith Lane.

8 Q Okay, all right. So, this is Meridith
9 Lane. As it comes off Francis Marion Circle it
10 extends all the way back to Mr. Ferguson's
11 property back here. We have a family that lives
12 up here on Francis Marion Circle. The easement
13 runs besides their house. We have another
14 resident that's on Francis Marion -- or Francis
15 Marion Circle right here that runs besides their
16 house. Are you familiar with those two houses?

17 A Yes.

18 Q Okay. The next house behind those and
19 adjacent to the seven-acre property is Diana
20 Chalmers' house. It's a yellow house. Has a
21 front porch.

22 A Yes.

23 Q Do you recall visiting that home with
24 the road maintenance agreement or any other
25 documents?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I believe I did.

3 Q Who did you speak with?

4 A I thought I spoke with a gentleman that
5 was sitting on the porch that day.

6 Q Did you spend some time with that
7 gentleman on that porch that day?

8 A I believe I spent a few minutes with
9 him, yes.

10 Q What did you and the gentleman discuss?

11 A I discussed the road maintenance
12 agreement. I had a copy. I discussed what I
13 was trying to do. That I wasn't turning this
14 into a subdivision. It was going to be my
15 family, one house.

16 Q Was he receptive to the idea of the
17 road maintenance agreement?

18 A I can't speak for acceptance. They
19 took it from me. I let them know that you would
20 be back at a later date for this because I
21 couldn't have them sign it, it had to be
22 notarized. I was just there to give it to them.

23 As far as acceptance I'm not sure.
24 They didn't refuse the document from me.

25 Q Was there a disagreement over the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 document?

3 A I don't know if they read it so I can't
4 say there was a disagreement or not.

5 Q Was there a disagreement over your
6 efforts passing out the document or approaching
7 them with the document?

8 A To that family?

9 Q Yes.

10 A Not that I recall other -- I get along
11 with most people. People don't usually get
12 aggressive with me so if they did agree or
13 disagree it wasn't portrayed to me.

14 Q So the conversation, did it go well or
15 did it go bad?

16 A They took it from me. They didn't kick
17 me off the property. I --

18 Q How did you feel about it? How did you
19 feel about the conversation?

20 A I think I felt okay.

21 Q Positive?

22 A I think I felt positive. I -- like I
23 said they -- it wasn't -- it wasn't
24 non-positive, you know.

25 Q Okay.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A It was so long ago I can't remember.

3 Q How about the other residents, was
4 there positive -- were they positive to the road
5 maintenance agreement?

6 A I would say I had the same
7 non-aggressive reaction from everybody except
8 for this one.

9 Q Mr. Ferguson, John Ferguson, do you
10 remember his name?

11 A Yes, I remember John Ferguson's name.

12 Q Okay. Did any one of those residents
13 that you contacted on Meridith Lane in reference
14 to the road maintenance agreement, did anyone
15 reject signing the road maintenance agreement?

16 A They didn't say yes or no but John
17 Ferguson refused.

18 Q Let me restate my question. Did any
19 one of those residents reject signing the road
20 maintenance agreement?

21 A Not to my knowledge except John
22 Ferguson told me he would never sign it.

23 Q Okay. Tell me a little bit about Mr.
24 Ferguson and that conversation.

25 A I actually didn't see Mr. Ferguson, at

1 GECY - HAMNER (DIRECT EXAMINATION)

2 first. I met with his wife who did not seem
3 very happy about it but she accepted the
4 document just like everybody else. She didn't
5 throw me off the property. It wasn't
6 aggressive, by any means.

7 But when I was going to meet and I
8 don't know who they are, on the corner house,
9 Mr. Ferguson drove up in his sheriff's car and
10 really laid into me about this wasn't going to
11 happen. Started telling me a bunch of personal
12 matters between you and him self that I really
13 didn't want to hear.

14 Q Did he intimidate you, at all?

15 A I wouldn't say he intimidated me. I
16 will say maybe there was an attempt to -- you
17 know, he was in his sheriff's uniform. He was
18 in his car. He did prevent me from leaving,
19 even though I referred him to you, many times,
20 and if there were any problems and I was just
21 doing you a favor by passing this out. I told
22 -- he obviously had your number. He knew how to
23 get in touch with you but that was pretty --
24 pretty aggressive.

25 Q Pretty surprising?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I was -- I was a little shocked. I
3 know what you described to me about some of the
4 neighbors feelings about you. I didn't
5 necessarily -- the other neighbors didn't
6 portray that.

7 Q Okay, great.

8 A So I thought things were smooth until
9 he drove up.

10 Q So everything was rolling along
11 smoothly, as far as the road maintenance
12 agreement solicitation was concerned, until Mr.
13 Ferguson drove up in his sheriff's car?

14 MR. WEGMANN: Again, object to the
15 form. Questions.

16 BY MR. GECY:

17 Q Everything -- did everything go
18 smoothly with the other residents?

19 A As far as accepting I would say it was
20 just my whole goal was to get this into their
21 hands for their perusal. That happened.

22 Q Did any of those customers hand the
23 document back to you and refuse to review it and
24 sign it?

25 A No.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Did you get any commitments from any of
3 those residents out there saying they -- excuse
4 me, did you get any commitments from any of the
5 residents, other than John Ferguson?

6 A I don't believe I got any commitments
7 but I don't believe that's what I was asking
8 for. I was trying to get this into their hands
9 with the follow-on that you would be there
10 later, at a later date, with a notary to make it
11 official.

12 My whole intent was to explain what
13 this was, why we needed it. As far as
14 commitments, no, I -- that's not the questions I
15 was asking for.

16 Q Let's go back to that statement right
17 there, Jaime. Why did you need the road
18 maintenance agreement?

19 A I was told that I needed that for the
20 bank loan.

21 Q Who told you that?

22 A Doug Jacobs.

23 Q What did he tell you about the road
24 maintenance agreement requirement?

25 A That a VA loan requires a road

1 GECY - HAMNER (DIRECT EXAMINATION)

2 maintenance agreement for a private road. Folks
3 who live on the road on that private road up to
4 my property had to sign this road agreement. He
5 said it was a VA -- I think it was a VA
6 requirement. I'm not versed in banking.

7 Q So did Doug tell you the VA required
8 the road maintenance agreement?

9 A I don't know if it was VA specific or
10 if it was bank. I'm not -- I can't answer that.

11 Q Well, I need you to answer that. You
12 said -- you just testified that it was for the
13 VA loan.

14 Was it -- did Doug tell you it was for
15 the VA loan or was it not for the VA loan?
16 Because that's important here.

17 A As far as I know this has always been a
18 VA loan thing.

19 Q Okay.

20 A But so the answer to that would be is I
21 thought it was a VA loan requirement.

22 Q Okay, thank you. The loan you applied
23 for at South Carolina Bank and Trust to purchase
24 and build Meridith Lane, did you think that was
25 a VA loan?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A When I first started it was. I think
3 it was briefed to me, later, that the VA doesn't
4 do a -- I don't know the term, construction.
5 They don't -- the VA doesn't do new construction
6 so they went and explained to me, later, that
7 there was another loan for -- until the house is
8 done and then it becomes a VA loan.

9 Q When were you briefed?

10 A It would have been in one of the
11 meetings that you and you and I and Doug were
12 in.

13 Q Okay.

14 A I think there was a discussion of a
15 loan -- what a loan is because I was confused.

16 Q All right. Let's stay on that subject
17 right there.

18 So, the first meeting with you, Doug,
19 Ben and Bruce VanHorn, was that the first time
20 we all met together?

21 A I don't think so.

22 Q There was -- there was another time
23 when Ben, Doug and Jaime met?

24 A When we first started this I believe
25 that we all three met over at SCB&T's, in Doug's

1 GECY - HAMNER (DIRECT EXAMINATION)

2 office.

3 Q What was the discussion at that office
4 or what was the purpose of that? What was the
5 purpose of that meeting?

6 A To apply for a loan.

7 Q So I went with you to apply for a loan
8 with Doug at the bank?

9 A That's who you referred me to.

10 Q Okay.

11 A Was Doug Jacobs, I believe.

12 Q So, did I hand-walk you over to South
13 Carolina Bank and Trust on that referral?

14 A I don't think you hand walked me. I
15 believe that we met, the three of us, to discuss
16 something but I don't remember exactly. Like I
17 say that was four years ago. I know you
18 referred us.

19 Q Did you meet with Doug Jacobs on the
20 weekend for your application?

21 A I don't know the exact date that I met
22 Doug Jacobs. I know that -- I don't remember if
23 I met with him on a weekend or if we just
24 hurdled something into a drop box on a weekend.
25 I know there was something after -- after normal

1 GECY - HAMNER (DIRECT EXAMINATION)

2 bank hours.

3 Q So, the meeting that you're referring
4 to, did that occur before or after you passed
5 out the road maintenance agreements?

6 A Which meeting are we referring to?

7 Q The meeting you were just testifying
8 to. The meeting of Ben, Doug and Jaime where
9 you testified Doug was explaining to you about
10 the loans you were receiving, was that meeting
11 before or after you passed out the road
12 maintenance agreements on Meridith Lane?

13 A I would have to say that would have
14 been before because I didn't know anything about
15 the road maintenance agreement when we first
16 started this.

17 Q Are you certain of that?

18 A I'm not certain.

19 Q Okay. So it could have been
20 afterwards?

21 A It could have but exact times, I don't
22 know. I don't recall.

23 Q You don't know?

24 A Yeah.

25 MR. HOLLOWAY: Objection to the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 form.

3 BY MR. GECY:

4 Q Okay. So you can't give me an exact --
5 can you give me an exact time, before or after
6 the road maintenance agreement was passed out,
7 can you tell me yes or no, was it before or was
8 it after?

9 A I don't know.

10 Q Okay, thank you. So, there was
11 supposedly a meeting that took place where Mr.
12 Jacobs was explaining the process, the type of
13 loan that you were receiving. Did you
14 understand what Mr. Jacobs described in that
15 meeting?

16 A I think I had a good understanding of
17 what he was trying to tell me about a
18 construction loan not being a VA loan and the
19 rollover. I think I understood that the house
20 had to be built, first, and then it would become
21 a VA loan.

22 Q VA -- did he tell you the VA did not do
23 construction financing?

24 A I think he did tell -- I think he told
25 me that. I think that's what they were trying

1 GECY - HAMNER (DIRECT EXAMINATION)

2 to explain to me. I didn't know the two loan
3 thing and that if -- if the VA doesn't construct
4 or don't -- they don't give money for
5 construction, so yes, I did -- he described
6 that.

7 Q Do you know if VA does complete
8 construction loans?

9 A I do not know that, if they do or do
10 not. I was told at the time that, no.

11 Q Okay. So someone told you at the time
12 they do not do construction loans, the VA?

13 MR. HOLLOWAY: Objection to the
14 form of the question.

15 BY MR. GECY:

16 Q Who told you the VA does not do
17 construction loans?

18 A I believe it was Doug.

19 Q Could it have been anyone else?

20 A It could have been us, a conversation
21 between you and I. I don't know why I have
22 knowledge that the VA doesn't -- I didn't look
23 at it. I took what I was being told as policy
24 because I don't know these matters.

25 Q Okay. So let's get back to some of the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 testimony we had awhile back.

3 When passing out the road maintenance
4 agreement you were telling the residents it was
5 for a VA requirement.

6 MR. HOLLOWAY: Objection to the
7 form of the question.

8 BY MR. GECY:

9 Q I haven't asked a question yet. Okay?

10 What other residents, besides the five
11 you spoke with, did you submit or request a road
12 maintenance agreement to be reviewed?

13 A None. There were only five places on
14 that property, I think.

15 Q All right. Let's go back to that
16 exhibit there.

17 Show me the five properties that you
18 think you contacted.

19 A Ms. O'Neal I know. Sweetheart.

20 Q Nice lady?

21 A She's a very nice lady. She was very
22 sad that this didn't go through. She -- I
23 remember she told me she would have enjoyed
24 seeing my daughters growing up. She liked --
25 likes children.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q She goes to our church, doesn't she?

3 A You know, I'm not sure. There's a lot
4 of members in the church. I don't know all of
5 them.

6 Q Okay. Who are the other members?

7 A Fergusons and I guess that's their
8 name. I don't -- I don't recall them. This one
9 on the corner, he was a military man. This was
10 a young couple so it was the --

11 Q Okay.

12 A -- four houses on the road and then Mr.
13 Ferguson on the back side.

14 Q Okay. Anyone else?

15 A I don't think so.

16 Q Okay. Why did you contact the two
17 residents up front here?

18 A I was told that anybody who lives on
19 this -- on Meridith Lane had to sign a road
20 maintenance agreement.

21 Q Who told you that?

22 A Doug Jacobs.

23 Q Okay. Do you think these two people
24 live on Meridith Lane?

25 A I do. I questioned number ten and I

1 GECY - HAMNER (DIRECT EXAMINATION)

2 actually told them that. I didn't know if it
3 mattered if they applied or not because their
4 actual interest to their house was on whatever
5 this road is.

6 Q Francis Marion Circle?

7 A Francis Marion Circle, Number 12, we
8 thought 'we' being they and I, I told them I
9 thought about the house across the street. We
10 thought that they were on Meridith because their
11 parking, their garage is deep into Meridith side
12 so they -- they thought, well, they thought
13 their -- I think their address said something
14 else but they said, yeah, we use Meridith.
15 That's our access to our house.

16 Q Okay.

17 A So they got the agreement, also.

18 Q So, fundamentally, for legal purposes
19 the road maintenance agreement would only apply
20 to property addresses on Meridith Lane?

21 MR. WEGMANN: Objection to the
22 form.

23 BY MR. GECY:

24 Q Would you agree with that?

25 A I would not know that. I'm not that

1 GECY - HAMNER (DIRECT EXAMINATION)

2 familiar with that kind of document.

3 Q You're not familiar with the road
4 maintenance agreement?

5 A Not enough to know what house would go
6 on or off. I just went to the houses that were
7 on the document that you gave me.

8 Q Instructed by Doug?

9 MR. HOLLOWAY: Objection to the
10 form of the question. You have to ask
11 questions.

12 BY MR. GECY:

13 Q Doug instructed you to get all the
14 people on Meridith Lane to sign the road
15 maintenance agreement?

16 MR. HOLLOWAY: Objection to the
17 form of the question.

18 MR. WEGMANN: Objection.

19 BY MR. GECY:

20 Q Is it possible that this residence here
21 wrongfully had a driveway coming down Meridith
22 Lane?

23 A I don't know.

24 Q Is it possible?

25 A I don't know if it's possible.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Could someone -- excuse me, could
3 someone unlawfully use Meridith Lane to access
4 their property?

5 A No verbal response.

6 Q You don't know?

7 A I don't know what's legal or not legal.

8 Q Okay. That's up to the attorneys

9 and --

10 A Yes.

11 Q -- and the title searches to determine,
12 correct?

13 A I would say that's a fair statement.

14 Q Would it be unfair if the titles
15 reflected that residence did not have access or
16 proper use to Meridith Lane to have them sign a
17 road maintenance agreement to your transaction
18 dealing with Meridith Lane?

19 A I don't understand that question.

20 Q Would it be unfair if the corner
21 property did not have legal access to Meridith
22 Lane and a bank required that they sign a road
23 maintenance agreement pertaining to Meridith
24 Lane?

25 A I still don't know how to answer the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 question.

3 Q Let me try to rephrase it for you,
4 Jaime.

5 A Yeah.

6 Q On your loan application, would it be
7 unfair to have someone or require someone to
8 sign the RMA that didn't have legal access to
9 Meridith Lane, legal access or legal rights?

10 A Are you asking my personal opinions or
11 --

12 Q Yes, I am. I'm not asking you for a
13 conclusion of law.

14 A Okay.

15 Q I'm asking you for your personal
16 opinion.

17 A Somebody legally had a driveway on my
18 property I guess I wouldn't consider that a
19 right.

20 Q That's not what I'm asking you.
21 I'm asking you, do you think it would
22 be unfair if a bank required you, as a condition
23 for you to buy your home, to get a road
24 maintenance agreement signed by someone who did
25 not have legal access or legal rights to that

1 GECY - HAMNER (DIRECT EXAMINATION)

2 road that required a road maintenance agreement,
3 would you consider that unfair?

4 A Yeah.

5 Q Okay, thank you. Would you also --
6 would you consider it unfair if the bank
7 required all residents that had legal rights and
8 access to sign the road maintenance agreement
9 and that turned out to be untrue?

10 A Ask that again, please.

11 Q Would you consider it to be unfair if a
12 bank, in this case, SCB&T, required all parties
13 that had legal access and rights to Meridith
14 Lane to sign a road maintenance agreement which
15 turned out to be untrue as a requirement of the
16 bank or the VA? I'm asking your opinion.

17 A I'm sorry, it's such a long question.
18 So the question was do I think it's unfair?

19 Q Yes.

20 A To be honest with you, I don't -- I
21 can't answer fair or unfair. I don't know that
22 side of it as far as what their requirements
23 are, what they aren't. Is it fair or unfair, I
24 have no opinion.

25 Q I'm asking your personal opinion. I'm

1 GECY - HAMNER (DIRECT EXAMINATION)

2 not asking you to be a mortgage broker or
3 mortgage underwriting guidelines. I'm asking
4 you, if there were four people on a road --

5 A Uh-huh.

6 Q -- that had legal access and rights to
7 the road --

8 A Uh-huh.

9 Q -- do you think it would be unfair if
10 the bank asked for ten others that had nothing
11 to do with that road to sign a road maintenance
12 agreement and made it a requirement and a
13 restriction for your loan to close?

14 A In the example you just described,
15 yeah, I would call that difficult.

16 Q That would be a little unfair?

17 MR. HOLLOWAY: Objection to the
18 form.

19 BY MR. GECY:

20 Q Would that be unfair to you in your
21 application?

22 A I suppose that would be unfair, if --

23 Q Do you --

24 A -- ten people had to sign for -- and
25 only four lived on it I could see how that could

1 GECY - HAMNER (DIRECT EXAMINATION)

2 be -- seem unfair.

3 Q Would that be considered unreasonable?

4 A Same example, yes, I guess ten for four
5 would be.

6 Q How about one? Would you consider it
7 unreasonable for one person?

8 A One -- rephrase?

9 Q Would you consider it unreasonable if
10 the bank required one person that did not have
11 legal access or rights to Meridith Lane?

12 A I suppose if they did not, if they did
13 not have access I guess I can't see how they
14 could be told to sign something.

15 Q I'm not asking -- I'm not asking how --
16 if they're told, I'm asking how it applies to
17 you in your application, in your closing, the
18 same closing that you and your family were so
19 emotional about that desired to close on.

20 A Uh-huh.

21 Q We had a -- we had a condition here,
22 which you're very familiar with, the bank
23 imposed on this private drive of Meridith Lane.
24 What I'm asking you --

25 A Is this the road maintenance agreement?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Road maintenance agreement.

3 A Okay.

4 Q The bank required a road maintenance
5 agreement for this private drive of Meridith
6 Lane.

7 A Uh-huh.

8 Q That private drive of Meridith Lane is
9 benefitted by certain individuals who have
10 deeded rights legally to that property and that
11 road.

12 A Okay.

13 Q What I'm asking you is, whether it's
14 one, two, three, four or ten to require someone
15 outside of the individuals who owned the legal
16 rights --

17 A Uh-huh.

18 Q -- do you think that's a little unfair
19 for a bank to have a guideline like that or a
20 requirement?

21 A If they didn't have legal rights I
22 would say yes.

23 Q Okay, thank you, all right.

24 Have you discussed this case with any
25 mortgage professionals after the filing of it?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 And when I say 'case' I'm talking about the
3 state court action that we're here today about.

4 A With mortgage professionals?

5 Q Any mortgage professional, any mortgage
6 broker, lender, professor?

7 A No, I don't think so.

8 Q Okay. What state is your driver's
9 license from?

10 A South Carolina.

11 Q In your answers to the state court
12 action, when it was filed, you answered that you
13 were a citizen and resident of California and
14 Mrs. Hamner is a citizen and resident of
15 Michigan. Why was that? Why did you provide
16 those answers?

17 A At the time I was a California
18 resident. Upon my retirement and this was going
19 to become our home my residence had changed to
20 South Carolina.

21 Q Okay. So describe the timeframe of
22 when you answered that complaint. Was that
23 2010? Was that 2011?

24 A What was the complaint?

25 Q The complaint was the suit that I filed.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 against you and you counterclaimed.

3 A I have a counterclaim?

4 Q I don't know, do you?

5 A I don't know, I just heard you say it.
6 I didn't know I did.

7 Q Okay.

8 A It would have been two -- I think
9 you -- I don't know the exact date when you
10 served me.

11 Q Okay.

12 A It was right after Easter. It might
13 have been 2000 -- maybe 2010. Somewhere between
14 2010 and 2011. This has been going on for
15 awhile.

16 Q That's right, it has been, Jaime, and
17 not to confuse you in my introduction, the case
18 number starts 2011, which tells me and probably
19 everyone in the Clerk of Court that's a 2011
20 case.

21 A Okay.

22 Q So it was filed in 2011. So, in 2011
23 you were a resident of California?

24 A Until -- yes, yes, I was.

25 Q Okay. Did you own any property in the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 State of California?

3 A No.

4 Q Where did you file your tax returns,
5 which state California or South Carolina?

6 A South Carolina.

7 Q Hummm. Are you supposed to file your
8 tax returns in the state that you're a resident
9 in?

10 A Not if you're in the military.

11 Q Okay. Are you allowed to claim primary
12 residence on a home in another state if you had
13 residency in a different state?

14 A I don't know the answer to that.

15 Q Okay.

16 A I've owned homes wherever I have been
17 stationed. I believe there's something that
18 covers the military for --

19 Q Okay.

20 A -- for that situation.

21 Q Fair enough, fair enough. Tell me
22 about those homes. How many mortgages have you
23 had?

24 A I think I've had three mortgages.

25 Q Three mortgages?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A (Witness nods head.)

3 Q What types of mortgages were those?

4 A VA loans.

5 Q All VA?

6 A Always VA.

7 Q No other types of loans?

8 A (Witness shakes head.) Uh-huh.

9 Q Were they all fixed rates?

10 A Yes.

11 Q Have you ever had an adjustable rate?

12 A With my current house I think we almost
13 got talked into an adjustable rate but when I
14 realized what it was we did not. I don't think
15 I've ever had any anything on an adjustable
16 rate.

17 Q Pretty risky, adjustable rate
18 mortgages, is that -- do you think adjustable
19 rate mortgages are risky?

20 A When I read a little more on them I
21 think I came to the conclusion or I didn't
22 understand them so my lack of understanding
23 would cause it to be a little risky, in my
24 opinion.

25 Q Yeah. What is your occupation, now,

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Mr. Hamner?

3 A I'm retired and I fix a few musical
4 instruments for Beaufort County.

5 Q Do you receive income for that work?

6 A A little bit, yes. I wouldn't really
7 call it a job because it's --

8 Q Okay.

9 A -- it's not really enough to generate
10 enough to consider it a job.

11 Q Do you file that income on your tax
12 returns?

13 A I do.

14 Q Have you ever obtained a real estate
15 license?

16 A No.

17 Q Have you ever wanted to apply for a
18 real estate license?

19 A No.

20 Q Have you ever had a banker's license?

21 A Huh-uh.

22 Q Okay.

23 A No, I have not.

24 Q Have you ever had a mortgage broker's
25 license?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A No.

3 Q Do you want to try to stay clear of
4 both of those licenses?

5 A Yes.

6 Q Okay, all right. In preparation of
7 this deposition, have you reviewed any
8 documents?

9 A I reviewed my e-mails, so yes.

10 Q Okay. Which e-mails did you review?

11 A All of them. Any e-mail between
12 yourself and myself that I have that I
13 haven't -- I think I've reviewed a few -- I've
14 seen a few other names. I've got an e-mail from
15 Bruce and I had an e-mail from the bank, Doug.
16 Just anything that pertained to this.

17 Q How did you collect those e-mails?

18 A They were in my box, inbox.

19 Q Do you still have access to those
20 e-mails?

21 A Yes.

22 Q Today you still have access?

23 A Yes, I do notice that -- I don't know
24 if it is a yahoo. It seems that my older, older
25 after four years I think some of them are

1 GECY - HAMNER (DIRECT EXAMINATION)

2 starting to --

3 Q Yeah.

4 A -- drop-off, I'm not sure but I've had
5 -- I think I've had copies of my e-mails.

6 Q Did you provide your attorney all of
7 those e-mails you reviewed in --

8 A Yes.

9 Q Okay. You're positive on that?

10 A That I provided my attorney?

11 Q Are you positive you provided your
12 attorney -- your attorney all of the e-mails you
13 reviewed in preparation of this deposition?

14 A Yes. I believe I've given my e-mail,
15 the e-mail that I had access to my attorneys.

16 Q That's relevant to the subject matter?

17 A Yes, sir.

18 Q Okay. I may want to get a copy of what
19 you brought today, okay, your notes right there.
20 And I see that you're referencing those notes.
21 Did you prepare those?

22 A Yes.

23 Q Did you have any assistance?

24 A No.

25 Q Okay, all right. Let's go back to the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 beginning on this.

3 Let's talk about the SCB&T application
4 to purchase and construction on Meridith Lane.

5 Correct me if I'm wrong, your recent
6 testimony is you thought it was a VA loan and
7 there were VA requirements that the loan officer
8 imposed on the transaction or your application
9 or me, on the seller, and it's also your
10 testimony that you had a meeting where the loan
11 officer explained the process maybe a little
12 clearer that you were possibly getting a
13 construction loan that was to rollover to a VA
14 loan, is that correct?

15 A Say that one more time for me?

16 Q Is it your testimony that your original
17 thought on this application you had a VA loan
18 and you were applying for a VA loan and after a
19 meeting at some time with Doug Jacobs and Ben
20 Gecy and maybe others Doug Jacobs clarified that
21 there was a construction loan that would engage
22 the process and then roll to permanent financing
23 of a VA loan, is that your testimony?

24 A Yes.

25 Q Okay. And Doug -- did Doug make it

1 GECY - HAMNER (DIRECT EXAMINATION)

2 clear that was the type of loan he was trying to
3 process and close for the Meridith Lane purchase
4 and construction?

5 A VA loan.

6 Q No. Did Doug make it clear that there
7 was a construction loan and rollover to VA
8 financing to purchase and construct Meridith
9 Lane, did he make that clear?

10 A Yes.

11 Q Okay. So you understood it?

12 A I understand it.

13 Q At the time you understood exactly what
14 you were getting from SCB&T after that meeting?

15 A To the best of my knowledge I
16 understood that -- I understood the difference
17 of loans.

18 Q Okay.

19 A And how they were supposed to be.

20 Q Did you sign any documents with SCB&T
21 for the application and closing of -- excuse me,
22 the application for the purchase and
23 construction of 10 Meridith Lane?

24 A Yes, I think we signed -- I think we
25 started an application.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q The documents you signed, were they VA
3 documents?

4 A I don't recall. They were -- they
5 looked like a -- loan documents for a loan. As
6 far as what type, I'm not sure.

7 Q Okay.

8 A If you put them in front of me I
9 couldn't tell you the difference.

10 Q Okay. So you could have been signing
11 FHA documents in that meeting, you wouldn't have
12 known?

13 A I suppose I was just signing a document
14 for a loan that said construction to VA. I mean
15 it was my assumption it was a VA, that's what we
16 discussed.

17 Q So you signed documents that said you
18 were going from construction to VA financing?

19 MR. HOLLOWAY: Objection.

20 BY MR. GECY:

21 Q That's your testimony?

22 A I'm not sure exactly what I signed. If
23 -- if that was the wording.

24 Q Well, no, that's not what you just
25 said. You just said you were signing documents

1 GECY - HAMNER (DIRECT EXAMINATION)

2 -- you signed documents that said you were
3 getting construction rolling to a VA, is that
4 what you just testified to?

5 A If that's what the loan application
6 documents were, yes.

7 Q No. I'm asking you what you thought
8 you were signing. We're going to get to the
9 documents here in a minute. I'm asking you what
10 you thought you were signing. Did you
11 understand the documents?

12 A Apparently not. I was signing a loan
13 application.

14 Q Okay, you're signing a loan
15 application. That loan application could have
16 been a commercial loan?

17 MR. HOLLOWAY: Objection to the
18 form of the question.

19 BY MR. GECY:

20 Q You wouldn't know?

21 MR. WEGMANN: Same objection.

22 BY MR. GECY:

23 Q Today you don't know what that
24 application was for, correct?

25 A I'll say, no. My understanding was I

1 GECY - HAMNER (DIRECT EXAMINATION)

2 was applying for a loan.

3 Q You were applying for a loan. What
4 type of loan were you applying for? What was
5 your understanding of the type of loan you were
6 applying for?

7 A A VA loan.

8 Q Okay. You were applying for a VA loan
9 is what you thought at the time?

10 A Yes.

11 MR. HOLLOWAY: Objection to the
12 form of the question.

13 BY MR. GECY:

14 Q Okay, all right. I'm going to ask you
15 one more time because your attorneys keep
16 objecting.

17 What did you think you were applying
18 for when you signed the documents with South
19 Carolina Bank and Trust? What type of loan did
20 you think you were applying for?

21 A I always thought I was applying for a
22 VA loan.

23 Q Okay, thank you. Did you ever sign any
24 construction loan documents with South Carolina
25 Bank and Trust for the purchase of 10 Meridith

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Lane and construction of 10 Meridith Lane?

3 A I don't know.

4 Q Okay. Did you ever sign any commercial
5 loan paperwork for the purchase and construction
6 of 10 Meridith Lane with South Carolina Bank and
7 Trust?

8 A I don't know.

9 Q Did you ever sign any paperwork for a
10 balloon payment with South Carolina Bank and
11 Trust in reference to the purchase and
12 construction of 10 Meridith Lane?

13 A I don't know what that is.

14 Q Don't know what a balloon payment is?

15 A I do not.

16 Q Okay. Can you answer the question?

17 A I can't answer the question if I don't
18 know what it is.

19 Q Okay. A balloon payment is a loan that
20 might be a 30-year amortization but the bank
21 calls the note after let's say a year and the
22 balloon is the total amount due and payable of
23 the principal balance, so for example, if you
24 have a \$300,000 loan that you're taking out with
25 the bank, the bank, finances it for 30 years and

1 GECY - HAMNER (DIRECT EXAMINATION)

2 they call it on a balloon after 12 months, in a
3 12 month period you may only pay down possibly
4 ten to \$12,000 of that principal.

5 The one-year balloon says that you have
6 to come due and payable, you're due and payable
7 for approximately \$288,000 in that scenario.

8 Could you have signed a document -- did
9 you sign a document with South Carolina Bank and
10 Trust that had a balloon feature?

11 A I don't know.

12 Q Okay, that's okay, you don't know, all
13 right.

14 Did you sign any documents with South
15 Carolina Bank and Trust for the purchase and
16 construction of 10 Meridith Lane that had an
17 adjustable rate feature?

18 A I don't know that, either. I don't
19 recall what the document I signed.

20 Q Okay. So --

21 A Yeah, so I don't know.

22 Q You didn't really -- did you know what
23 you were signing at the time?

24 A A loan application.

25 Q Okay.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A That's all I know.

3 Q Okay. That's it?

4 A That's --

5 Q So did the loan officer spend a great
6 deal of time disclosing the documents or let me
7 rephrase this.

8 It sounds like you're a little
9 uncertain about what you signed with the bank
10 that day.

11 MR. HOLLOWAY: Objection to the
12 form.

13 BY MR. GECY:

14 Q And you did mention that -- your prior
15 testimony was that Doug made it very clear what
16 type of loan you were getting.

17 Did you testify to that, earlier?
18 After the meeting between -- the supposed
19 meeting between me, you and Doug?

20 A I don't think I said 'very clear'.

21 Q You said Doug made it clear, you
22 understood. You walked out of that meeting --

23 A I had --

24 Q -- understanding?

25 A -- a clear understanding.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay, and that's okay, that's okay.

3 A I mean what it -- I think I had a
4 better understanding of what I thought was going
5 to happen as far as -- I understood that the
6 house hadn't been built yet.

7 Q That's right, that's right.

8 A I got that understanding.

9 Q And I'm not confusing you, Mr. Hamner.
10 Some of the terms, these are --

11 A Yeah.

12 Q -- these are really complicated
13 mortgage terms, really complicated banking
14 terms. Someone who doesn't have a lot of
15 experience these are way over their head and
16 that's why there are a tremendous amount of
17 disclosures that are required for the types of
18 loans that I'm describing here.

19 A Okay.

20 MR. HOLLOWAY: Objection. That's
21 a statement. That's testimony. I'll
22 move to strike that.

23 MR. GECY: You have a right to
24 object.

25 BY MR. GECY:

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Was the loan you were applying for --
3 was it to roll to some other financing product?

4 A I don't understand your question.

5 Q The loan you applied for at South
6 Carolina Bank and Trust the same loan that Doug
7 explained to you in the meeting, was there an
8 initial loan that was to close and then another
9 loan that it was to roll over to on permanent
10 financing?

11 A I think that's yes.

12 Q Okay. What type of loan was the
13 initial loan?

14 A Construction, construction loan into a
15 VA loan.

16 Q Okay, okay.

17 A I don't know what it was called.

18 Q Now, let's go back go these balloon
19 features and these adjustable rate features.

20 Is that the type of -- is that
21 typically the type of loan that you apply for
22 with your family or primary residence in seeking
23 a mortgage?

24 A No.

25 Q Have you ever applied for one of those

1 GECY - HAMNER (DIRECT EXAMINATION)

2 loans, adjustable rate mortgage or a balloon --

3 A No.

4 Q -- payment? Okay.

5 In the prior homes that you've had in
6 the past, none of those were adjustable rates or
7 had any balloon features, to your knowledge?

8 A Not to my knowledge.

9 Q Okay, all right. I want to make this
10 an exhibit here.

11 (Whereupon, Plaintiff's Exhibit
12 Number 2 was marked for
13 identification.)

14 BY MR. GECY:

15 Q All right. Mr. Hamner, you doing okay
16 here?

17 A Yeah.

18 Q Do you need a break, at all?

19 A I'm okay right not.

20 Q Okay, well you're doing great, doing
21 great. And hopefully I'm not harassing you, in
22 any way or form. I know some of these terms are
23 complex. It was three years ago. It's been a
24 long time for me, also.

25 And I recently, on January 6-07,

1 GECY - HAMNER (DIRECT EXAMINATION)

2 through the courts and through both attorneys or
3 at least one attorney for South Carolina Bank
4 and Trust I submitted what's called additional
5 discovery requests and in those additional
6 discovery requests in a second set I requested
7 additional documentation from the bank as it
8 relates to your transaction, your application
9 with the bank and the transaction at Meridith
10 Lane.

11 I received those documents Saturday in
12 the mail. I haven't had a whole bunch of time
13 to review those but this is what I received in
14 the mail right here and I made them an exhibit
15 and I want you to take a look at the first page
16 there. Does that look like the loan application
17 that you signed with South Carolina Bank and
18 Trust? And you can review the entire document
19 if you'd like.

20 A Looks like a loan application --

21 Q Okay.

22 A -- to me.

23 Q Does it look like you signed and fully
24 executed those documents on every page
25 initialing at the bottom? Let's go back to the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 loan application, the first four or five pages
3 there because that's the first one I'm going to
4 start with.

5 A Uh-huh.

6 Q There's page one.

7 A Uh-huh.

8 Q Page two, page three. There's some
9 continuation documents there. All right. And
10 then it goes into a truth in lending statement.

11 A Yes.

12 Q Let's stop right there.

13 A Uh-huh.

14 Q Now, what you're looking at there,
15 that's the Uniform Residential Loan Application
16 that most all lending institutions, bankers,
17 brokers take for a mortgage application, all
18 right?

19 A Okay.

20 Q You've testified that that's your --
21 well, let me ask you, is that your signature and
22 your wife's signature on that application?

23 A It is.

24 Q Okay, all right. Let's look at the
25 first section of that mortgage there. Right

1 GECY - HAMNER (DIRECT EXAMINATION)

2 underneath the signature, what does it say the
3 purpose of the loan is?

4 A Conventional.

5 Q Okay. Is that the box that's checked?

6 A Yes.

7 Q Okay. Is there a section for VA to be
8 checked on that application?

9 A Yeah, yes.

10 Q Is it checked?

11 A No.

12 Q Is there a section for FHA financing in
13 that box?

14 A Yes.

15 Q Is it checked?

16 A No.

17 Q Any other loan programs or boxes in
18 that category there?

19 A Other.

20 Q Okay.

21 A USDA.

22 Q All right. None of those are checked?

23 A No.

24 Q Okay. I want to take you down to the
25 next section where it says 'amount'. What is

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the amount that is in that application there?

3 A 306,900.

4 Q Okay. And go over. What is the
5 interest rate?

6 A Five percent.

7 Q Okay. Is that the interest rate that
8 you wanted from SCB&T?

9 A That I wanted? I wanted whatever the
10 rate was.

11 Q Whatever the prevailing rate was?

12 A Uh-huh.

13 Q Okay. Go to the next box there. What
14 does that say, number of months?

15 A 360.

16 Q Okay. What does the next one say?

17 A Amortization.

18 Q Amortization type. Is there a box in
19 there that says 'fixed rate'?

20 A Yes.

21 Q Is it checked?

22 A No.

23 Q What is the box underneath that?

24 A GPM.

25 Q Okay. And go to the next one. Tell me

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the box that's checked and read me what it says
3 there.

4 A Arm two-year --

5 Q Okay.

6 A -- app.

7 Q So you signed an application with South
8 Carolina Bank and Trust on an adjustable rate
9 mortgage and you just testified that you've
10 never done that and you would never do that?

11 MR. WEGMANN: Object to the form.

12 BY MR. GECY:

13 Q Is that your prior testimony, Mr.
14 Hamner?

15 A That I didn't think I applied for an
16 adjustable --

17 Q No, not think, that you did not?

18 A No.

19 Q Okay. But that application right there
20 says that you signed an adjustable rate
21 mortgage, correct?

22 A Yes.

23 Q It is not a fixed rate, is it?

24 A That's not what's checked, no.

25 Q Did you know you were signing an

1 GECY - HAMNER (DIRECT EXAMINATION)

2 adjustable rate mortgage on that application?

3 A I'm not sure I realized I was.

4 Q Okay, that's okay, Mr. Hamner, that's
5 okay.

6 A Yeah, we -- I guess our focus was on
7 the end that this is a VA loan. I don't know if
8 I paid attention to this.

9 Q My question I'm asking you, Mr. Hamner,
10 not about the end loan. We have two different
11 loans here.

12 A Uh-huh.

13 Q And you testified that you had never
14 signed an adjustable rate mortgage application.

15 MR. HOLLOWAY: Objection.

16 BY MR. GECY:

17 Q That doesn't seem to be the case here.

18 MR. HOLLOWAY: Objection to the
19 form.

20 BY MR. GECY:

21 Q Let's go some of the other sections of
22 the application.

23 Right beside where it says 'ARM' type
24 for the amortization please read for the record
25 what that says.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A 'Two-year ARM'.

3 Q Do you know what that means?

4 A No.

5 Q Did Doug Jacobs ever explain that to
6 you?

7 A He probably did.

8 Q It's a yes or no.

9 A I don't know.

10 Q You don't know if he explained that to
11 you? Could that be the reason why your prior
12 testimony you said you had never signed an
13 adjustable rate mortgage?

14 A Ask your question, again, please.

15 Q Since you don't know what that means,
16 could it be possible that Doug Jacobs did not
17 explain it properly when you signed the
18 application? He didn't explain it to you
19 clearly since you don't understand what an ARM
20 is.

21 MR. HOLLOWAY: Objection to the
22 form of the question.

23 BY MR. GECY:

24 Q You testified that you've never signed
25 an ARM mortgage, is that correct?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I believe I said that, yes.

3 Q Okay, okay, that's okay, Mr. Hamner.
4 But this document says that you did.

5 MR. HOLLOWAY: Objection to form.
6 That's not what the document says and
7 you're testifying. You have to ask a
8 question.

9 BY MR. GECY:

10 Q Is there any doubt that this
11 application that you signed has an adjustable
12 rate mortgage feature?

13 A No. That's what it says.

14 Q In that box there's a section that
15 clearly has a check for a fixed rate mortgage.
16 Is that checked?

17 A No.

18 Q At the time you signed this application
19 did you think you were getting a fixed rate
20 mortgage from SCB&T for the purchase and
21 construction of 10 Meridith Lane?

22 A I never asked that question. I
23 didn't --

24 Q I'm not asking you if you asked the
25 question, I'm asking you what you thought.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I didn't think anything about this
3 because for us it was always a VA loan.

4 Q Okay.

5 A This was a process to that, so we --

6 Q Okay.

7 A I didn't -- personally didn't pay
8 attention to this because I was told this is how
9 construction -- we do your construction loan
10 into a VA so I just don't know much about this.

11 Q So you just trusted Doug Jacobs, as the
12 loan officer, and the documents he prepared?

13 A Yes, I trusted Doug -- Doug Jacobs.

14 Q So whatever Doug said you signed?
15 Whatever Doug prepared you just signed?

16 MR. WEGMANN: Object to the form.

17 MR. HOLLOWAY: Object to the form.

18 BY MR. GECY:

19 Q So if Doug prepared a document and
20 asked to you sign it, you would just sign it?

21 MR. WEGMANN: Object to the form.

22 MR. HOLLOWAY: I second that.

23 BY MR. GECY:

24 Q How many documents did Doug prepare on
25 behalf of the bank that you signed?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A A lot.

3 Q That's right, it's a lot of them. Did
4 you review all of those documents, in full,
5 before signing?

6 A I glanced at every page before I
7 signed.

8 Q And did you just glance at every page
9 or did you review every page, line by line?

10 A I didn't check every line by line. I
11 checked if our pertinent information was
12 correct, socials, addresses. As far as reading
13 every line I don't think I --

14 Q Okay.

15 A -- read that.

16 Q When applying for a mortgage
17 application, do you think it's critical for a
18 buyer to review the accuracy of the document
19 they're signing?

20 A They should be but after reviewing 30,
21 40 pages it's not my -- I got a little
22 complacent.

23 Q Complacent, huh?

24 Before we get into the other documents
25 that the bank presented, Jaime, are you aware of

1 GECY - HAMNER (DIRECT EXAMINATION)

2 any other balloon features, adjustable rate
3 mortgages or other applications that you signed
4 with South Carolina Bank and Trust?

5 A I'm not aware.

6 Q Okay. After reviewing this document,
7 is it possible that you could have signed a
8 document that had one of those features in it?

9 A It's possible.

10 Q Okay. Is this application surprising
11 to you?

12 A Is this -- no. Only that since this
13 was our first time building and we were
14 instructed that this is how it goes for a
15 construction to VA loan we trusted that that was
16 the system that goes. As far as types and -- I
17 don't have knowledge to all that. We just were
18 trying to build a house and we were signing the
19 documents to do it.

20 Q Earlier you testified you tried to stay
21 away from adjustable rate mortgages and balloon
22 payment mortgages, correct?

23 A When somebody came to my house, yes,
24 and offered me that and I reviewed it more I
25 deemed it wasn't a smart thing.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q But if Doug Jacobs offered you that you
3 were okay with it?

4 A In this loan, I was, but I will say
5 that I didn't have a full understanding that
6 that's what this was.

7 Q Okay.

8 A Because like -- and I'll say it, again,
9 it was always -- because there was always that
10 terminology that followed it was rolled over
11 into the VA and that's all we really know.

12 Q Okay.

13 A And focused on.

14 Q Does the VA offer adjustable rate
15 mortgages?

16 A No, not that I know of.

17 Q This is the third page of the
18 application, Mr. Hamner. Tell me if that's your
19 wife's signature and your signature and tell me
20 the dates on that.

21 A Those are our signatures.

22 Q Does that look like your handwriting on
23 the dates?

24 A It's not mine. It might be my wife's.

25 Q Okay.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A But I think it's 2-13-10.

3 Q Okay, all right. But it doesn't look
4 like that's your handwriting in the date section
5 of the application, correct?

6 A Correct.

7 Q Okay. Who signed it at the very bottom
8 on behalf of the bank there?

9 A I'm going to guess that's Doug. I
10 can't read the signature.

11 (Whereupon, Mr. Doug Jacobs entered
12 the proceedings.)

13 BY MR. GECY:

14 Q Okay. Any other representatives of the
15 bank will be here, Tom?

16 MR. HOLLOWAY: I don't know.

17 BY MR. GECY:

18 Q All right. At the top of the
19 application on that same page, Jaime, there's a
20 details of transaction.

21 Can you read for the record what the
22 address is there.

23 A 11 Southern Magnolia Drive, Beaufort,
24 South Carolina 29907.

25 Q Okay. And what is that address?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A That was my property that you sold for
3 me when we started this transaction.

4 Q Where was that property located?

5 A Magnolia Court.

6 Q And where is that located?

7 A Lady's Island.

8 Q Okay. Had that property been sold at
9 the date of your signature on this application?

10 A I'm not sure of the exact date that
11 that property sold.

12 Q Okay.

13 A It was all very fast.

14 Q Okay. So February 13th 2010 you were
15 unsure if the property had sold at 11 Southern
16 Magnolia Drive, is that correct?

17 A I can't recall the exact date when this
18 was signed.

19 Q Okay.

20 A Or when the property was sold.

21 Q What was the contract price on that 11
22 Southern Magnolia Drive?

23 A Around 155.

24 Q Okay.

25 A I think.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q That's just a guesstimate, that's okay.

3 MR. HOLLOWAY: Objection.

4 BY MR. GECY:

5 Q What are the property values doing in
6 the Magnolia Court area as of today, 2014? Do
7 you have any knowledge?

8 A I have no idea.

9 Q Would you be surprised if those values
10 had gone down considerably from the date you
11 sold your home?

12 A I would not be surprised based on what
13 I heard about the housing market not doing well.

14 Q Okay, yeah, yeah, okay.

15 Would you be surprised if those values
16 on 11 Southern Magnolia Drive for similar
17 property had dropped 40 or \$50,000 in value
18 since you sold it?

19 A I don't know if I'd be surprised.

20 Q Could that be possible in the market
21 downturn that we've experienced?

22 A I guess it could be possible. I
23 haven't stayed up on it.

24 Q Okay. Let's go to the next page here,
25 Mr. Hamner. Read me what that says at the top

1 GECY - HAMNER (DIRECT EXAMINATION)

2 of that document there.

3 A 'Federal Truth in Lending Disclosure
4 Statement'.

5 Q Can you speak a little louder for the
6 record, please.

7 A Federal Truth in Lending Disclosure
8 Statement.

9 Q That's a federal document it says,
10 right?

11 A Yes.

12 Q Okay. Give me the figures that are in
13 the four boxes that you have there or excuse me,
14 give me the figures that are in the four boxes
15 prepared on the document there.

16 A 4.651 percent, 262,423.27, 302,942 and
17 565,365.87.

18 Q Did the bank explain that document to
19 you and those figures that you've just read for
20 the record?

21 A I'm sure they did.

22 Q Okay. So you understood what that
23 document was?

24 A I signed it. I wouldn't say I
25 necessarily understand all these applications.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q So you normally sign documents that you
3 don't understand?

4 A It depends.

5 Q Does that depend if Doug Jacobs
6 prepares them or not?

7 A No. It depends on my understanding.
8 It was always this was rolled into the VA so I
9 didn't really pay attention to this.

10 My understanding was when the house was
11 complete the other rule kicks in. I don't know
12 that the term 'filler' -- this was just an
13 in-between so I didn't pay attention to this
14 because our concern was that next rule.

15 Q Okay. You just --

16 A So yes, I'm sure this was fully briefed
17 to me when I was looking ahead at what my loan
18 -- what I thought my loan would be, which was --

19 Q Okay.

20 A -- the full loan.

21 Q You thought the VA was going to protect
22 you on all these documents?

23 MR. HOLLOWAY: Objection to the
24 form of the question.

25 BY MR. GECY:

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Did you think the VA was going to
3 protect you on these documents?

4 A I didn't think about that as far as
5 protection.

6 Q For the record, Mr. Hamner, read the
7 numbers in the box of the Federal Truth in
8 Lending Disclosure Statement of the annual
9 percentage rate, finance charge, amount financed
10 and total payments.

11 Is that your signature and your wife's
12 signature at the bottom, Mr. Hamner?

13 A Yes.

14 Q All right. What's the date on that
15 document?

16 A 2-13-10.

17 Q Does that look like your handwriting on
18 that date besides your signature?

19 A Not mine.

20 Q Okay, thank you, okay. We've got
21 another document we've received here on
22 Saturday, Mr. Hamner.

23 Can you read me for the record what it
24 says at the top of that document.

25 A Federal Truth in Lending Disclosure.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Itemization of amount financed.'

3 Q What do you think that means?

4 A Breakdown of what we're going to
5 finance.

6 Q Okay, good. And in this document did
7 you initial and your wife initial at the bottom
8 in a few different areas and do those look like
9 your initials and your wife's initials?

10 A Yes.

11 Q Okay. In this document the bank breaks
12 down charges that you're going to have on a
13 proposed closing of 10 Meridith Lane and
14 construction.

15 There's a processing fee of \$400, an
16 origination fee of \$3,000, document prep fee of
17 \$20, advanced satisfaction fee of \$5 and another
18 origination fee of \$69.

19 There's also an appraisal fee for \$450,
20 a construction inspection fee of 375, pre-paid
21 interest with some amount, first year homeowners
22 insurance 1,800, homeowners insurance, taxes, no
23 amount. Owners title insurance \$75, lender's
24 title insurance, \$668.75, title search \$225,
25 title binder \$100, loan modification fee of

1 GECY - HAMNER (DIRECT EXAMINATION)

2 \$350. What does a loan modification fee mean to
3 you?

4 A I would assume that that would refer to
5 going from what we keep calling a construction
6 loan to the VA loan.

7 Q Okay.

8 A Changing the loan.

9 Q Okay. Total amount of closing costs it
10 appears on this document is \$8,757.37. Did you
11 realize the costs were that expensive on this
12 transaction?

13 A I didn't question the costs.

14 Q Okay, okay. I want you to review that
15 document and tell me if there are any VA funding
16 fees or VA charges in that closing cost charged
17 to you and you can take your time reviewing it
18 and it's just a yes or no answer, are there any
19 VA related charges in that itemization of
20 breakdown?

21 A Not that I see.

22 Q Okay. Please read the top of that
23 document for the record for me, please.

24 A Addendum to residential loan
25 application, lot loan program information.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q What does that statement mean to you?

3 A I don't know.

4 Q You don't know?

5 A (Witness shakes head.)

6 Q Have no idea?

7 MR. HOLLOWAY: Objection to the
8 form of the question.

9 BY MR. GECY:

10 Q Were you applying for a lot loan or
11 were you applying for a construction loan?

12 A A lot of terminology thrown around. My
13 understanding is this is a construction or new
14 construction loan to be rolled into a VA loan.

15 Q The question was, were you applying for
16 a lot loan, yes or no?

17 A I don't know.

18 Q Okay, thank you. I want you to read
19 me, for the record, the first two paragraphs
20 there and I want you to speak loudly for the
21 record for me.

22 A Information provided below describes
23 the features of the lot loan program you are
24 considering. Information on other mortgage
25 programs is available upon request. This is not

1 GECY - HAMNER (DIRECT EXAMINATION)

2 a variable rate mortgage.'

3 Q You can stop right there. Read that
4 one more time for me.

5 A Which line?

6 Q That line right there that I've
7 circled.

8 A 'This is not a variable rate mortgage.'

9 Q Okay. Does that contradict the
10 application that you signed, the documents we've
11 just reviewed? And if we need to go back we can
12 go back and take a look at it, Mr. Hamner.

13 A I don't think so. I don't remember
14 seeing it called a variable rate mortgage.

15 Q Variable rate means it's an adjustable
16 rate mortgage, Mr. Hamner.

17 MR. HOLLOWAY: Objection to the
18 form.

19 BY MR. GECY:

20 Q Does that document say it is not a
21 variable rate mortgage?

22 A Yes, this document says it is not a
23 variable rate mortgage.

24 Q On the front page of the 1003
25 application that you have already testified to,

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the area that I've circled, what does that say
3 on the application that you're applying for and
4 you signed?

5 A ARM.

6 Q Okay. Do you know what ARM means
7 A-R-M?

8 A I assume it means what you just said it
9 meant, the adjustable rate mortgage.

10 Q That it may variate -- have
11 variability? May change? Does that sound
12 accurate?

13 A I recall --

14 Q Answer the question, Mr. Hamner.

15 MR. WEGMANN: He can answer the
16 question.

17 THE WITNESS: If I recall when I
18 look at an ARM it's blocked into a
19 certain time and then it changes so
20 after -- if it expires past a certain
21 amount of time it can become variable.

22 BY MR. GECY:

23 Q Okay, okay. That's a pretty good
24 assessment of what happens in some adjustable
25 rate mortgages.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 But in this document that you signed
3 for the lot loan program information I want you
4 to read for the record one more time what that
5 document says.

6 A 'This is not a variable rate mortgage.'

7 Q All right, thank you. Did you sign
8 that document?

9 A I did.

10 Q Did your wife sign it?

11 A She did.

12 Q Does that look like your handwriting on
13 those dates?

14 A Not mine but it could be hers.

15 Q Okay. Could be someone else's, though,
16 too, right?

17 A No verbal response.

18 Q You don't know?

19 A I just know it's not mine.

20 Q Okay, all right. I've got some other
21 language on that document. The first box that
22 is checked, what does it say there?

23 A 'Interest only period'.

24 Q Okay. Did you know you were receiving
25 an interest only loan with this application,

1 GECY - HAMNER (DIRECT EXAMINATION)

2 also?

3 A I'm sure I was told that.

4 Q I'm asking you -- I'm not asking you if
5 you were told, I'm asking you did you know that
6 this loan was interest only?

7 A I don't really pay attention to this
8 loan so I'm sure I knew. I didn't really
9 concentrate on this loan.

10 Q Okay. But you paid attention to the
11 road maintenance agreement that the bank made
12 every one go get, right?

13 MR. HOLLOWAY: Object to the form.

14 BY MR. GECY:

15 Q You understood the road maintenance
16 agreement and the requirements, correct?

17 A I understood what a road maintenance
18 agreement was. Requirements, I'm not an expert.
19 It had names on a road maintenance agreement. I
20 tried to get those names but I didn't create the
21 document.

22 Q That's right. But you understood that
23 all parties to the road maintenance agreement
24 had to sign a document per the bank guidelines?

25 MR. WEGMANN: Object to the form.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 BY MR. GECY:

3 Q Answer the question, Mr. Hamner.

4 MR. WEGMANN: You can answer.

5 THE WITNESS: Yes. The document I
6 signed now it's my understanding that
7 all those names had to be on it for
8 this loan to go through.

9 BY MR. GECY:

10 Q And that was a requirement of South
11 Carolina Bank and Trust?

12 A I honestly don't know whose requirement
13 it was. I just know it was required for this
14 loan. If it was a --

15 Q Who was doing your loan for this
16 transaction?

17 A South Carolina Bank and Trust.

18 Q Okay.

19 A I just don't whose requirement it was.
20 I know they said this was required for this
21 loan.

22 Q Okay. Well, when you state --

23 A I didn't --

24 Q -- 'they' are you referring to South
25 Carolina Bank and Trust?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A That they told me this information,
3 yes.

4 Q Okay. So I'm going to ask you the
5 question, again. Is it your understanding that
6 South Carolina Bank and Trust required all
7 parties to sign the road maintenance agreement?

8 A It is my understanding.

9 Q Thank you. Had you applied for any
10 other mortgages while you were working with Doug
11 and South Carolina Bank Account and Trust during
12 the beginning stages of 10 Meridith Lane and the
13 road maintenance agreement issues?

14 A No.

15 Q Okay. Let's go to an exhibit here.

16 Have you ever applied for a GMC
17 Mortgage?

18 A I started here.

19 Q I didn't ask you if you started here, I
20 asked you if you applied with GMC Mortgage.

21 A Applied for a loan?

22 Q Applied for a loan?

23 A I don't recall what I signed here. I
24 know I didn't --

25 Q I didn't ask you if you signed

1 GECY - HAMNER (DIRECT EXAMINATION)

2 anything, I asked you if you applied.

3 A I don't know what I did here.

4 (Whereupon, an off-the-record
5 discussion was held.)

6 (Whereupon, Plaintiff's Exhibit
7 Numbers 3 and 4 were marked for
8 identification.)

9 BY MR. GECY:

10 Q Okay, Jaime. Before we took the break
11 there we were discussing some documents that
12 were produced by South Carolina Bank and Trust
13 that we received on Saturday, including an
14 application; a Good Faith Estimate and a Federal
15 Truth in Lending Statement, and also a lot loan
16 program information sheet that said 'this is not
17 a variable rate mortgage', is that correct?

18 A Say the documents again?

19 Q The Uniform Residential Loan
20 Application, the Federal Truth in Lending, a
21 breakdown of your closing costs and a lot loan
22 program information sheet that said it's not a
23 variable rate mortgage.

24 A Yes.

25 Q Okay, all right. In reviewing those

1 GECY - HAMNER (DIRECT EXAMINATION)

2 documents, your testimony was you applied at
3 South Carolina Bank and Trust and you were
4 receiving a loan that was going to complete the
5 construction phase of it and then rollover to a
6 VA loan, is that correct?

7 A Construction to VA, that's my
8 understanding, yes.

9 Q Okay. How long does it normally take
10 to build a house for construction similar to the
11 one that you were under contract with at
12 Meridith Lane, your best guess?

13 A Well, my best guess is what you told
14 me, it was about four months.

15 Q Okay. When you say 'you' Benjamin Gecy
16 who was building your home?

17 A Ben Gecy, yeah.

18 Q Okay. So this document that you signed
19 here is an adjustable rate mortgage during the
20 construction period of the construction, is that
21 correct?

22 A Say that again?

23 Q The application that you signed with
24 South Carolina Bank and Trust says that they're
25 going to fund 306,900 at five percent on an

1 GECY - HAMNER (DIRECT EXAMINATION)

2 adjustable rate mortgage, all right.

3 A Uh-huh.

4 Q Sounds like maybe that's for the
5 construction period of time since this is not a
6 VA loan, correct?

7 A Yes. There was a loan. There had to
8 be some money paid for construction.

9 Q Okay.

10 A Is that what that is?

11 Q This is probably that document,
12 correct?

13 A I would assume that's this document.

14 Q Okay. So when you rolled over to your
15 VA financing you were probably going to have to
16 sign another application, correct?

17 A I'd assume --

18 Q Okay.

19 A -- that's what would happen.

20 Q And that application would probably be
21 checked VA financing, correct?

22 A I would assume that that's -- would be
23 checked VA finance, yes.

24 Q Okay. And that VA financing, under no
25 circumstances would you have allowed an

1 GECY - HAMNER (DIRECT EXAMINATION)

2 adjustable rate mortgage on it, correct?

3 A No, they -- they don't have one so I
4 don't --

5 Q Okay.

6 A I don't think that would have been
7 right, yeah.

8 Q But your -- the VA loan you were
9 applying for you were wanting a 30-year fixed
10 mortgage rate, correct?

11 A Yes.

12 Q Okay, okay. So this application right
13 here, if this thing were to close and there was
14 an adjustable rate feature in the mortgage for a
15 period of a month or so before the construction
16 got started and then there was a four month,
17 five month period of construction that you had a
18 loan with the bank that was on some type of
19 adjustable rate feature, now the question is, if
20 you got hurt on-the-job or you got dishonorably
21 discharged from the military or your credit
22 somehow had some delinquency on it and you did
23 not qualify for a VA loan what would happen
24 then?

25 A I believe the plan was it was always is

1 GECY - HAMNER (DIRECT EXAMINATION)

2 if I could not get funded from SCB&T he had
3 other vendors for me to use.

4 Q If you could not get approved with
5 SCB&T or the VA?

6 MR. HOLLOWAY: Objection to the
7 form.

8 BY MR. GECY:

9 Q What are you -- I don't understand what
10 you're asking -- I'll ask you the question.

11 When you rolled over to VA financing,
12 that is a period of six months down the road
13 from the initial closing of the construction
14 loan.

15 A Uh-huh.

16 Q Is that correct? Four to six months?

17 A Four to six months.

18 Q Okay.

19 A That's correct.

20 Q And you just testified that probably
21 more than likely there's a VA application that
22 you would have had to have signed in order to
23 apply for the VA loan because this application
24 is not a VA loan application, is it?

25 A No, this one is not.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Would the VA have accepted that
3 application if Doug had submitted it to them?

4 A As a construction loan, no. They don't
5 accept houses that are getting built, to my
6 knowledge.

7 Q Really. That's your testimony? Where
8 did you derive that knowledge from? Where did
9 you research for that knowledge?

10 A This is what I was told.

11 Q By whom?

12 A By Doug and the bank --

13 Q Okay.

14 A -- was the VA did not do construction
15 loans. That it had to have a construction loan
16 and then the VA, it would rollover to the VA
17 loan when the construction was complete.

18 Q Okay. What happens if your credit
19 doesn't qualify in that six month period or what
20 happens if you get dishonorably discharged from
21 the military and you no longer have any income,
22 is the VA going to give you a loan?

23 A I can't answer for the VA. I've never
24 seen VA, in my -- can count my 20 years, I've
25 never seen the VA deny a loan.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. So you think somebody who gets
3 dishonorably discharged, they have benefits in
4 the VA and they can still use their VA
5 entitlement?

6 A I don't know the VA policy.

7 Q You don't know the VA policy?

8 A I'm not a --

9 Q Okay.

10 A I don't work there.

11 Q Okay, all right.

12 A Like I say, I've never seen it.

13 Q All right. Let's talk about those
14 policies, all right.

15 Here they are right here, Jaime.

16 Here's your VA policies right there. VA
17 policies to purchase, process and underwrite a
18 loan. That looks like a pretty overwhelming
19 document, doesn't it?

20 A Sure.

21 Q Yeah. Lenders underwrite to that
22 document right there and pretty much everything,
23 including road maintenance agreements are
24 included in that document.

25 And, also, there are clauses in that

1 GECY - HAMNER (DIRECT EXAMINATION)

2 document of what you do when a road maintenance
3 agreement cannot be obtained by all parties.

4 Did you know that?

5 A No.

6 Q Okay.

7 A I've never reviewed these documents.

8 Q Do you think if that information is in
9 that document and the VA has that clause that
10 allows that SCB&T should have allowed that 10
11 Meridith Lane closing to occur if the road
12 maintenance agreement could be waived?

13 A What was your question?

14 Q This document --

15 A Uh-huh.

16 Q -- has certain chapters in it --

17 A Okay.

18 Q -- that describe VA, what to do with VA
19 applications, VA appraisals.

20 A Uh-huh.

21 Q VA road maintenance agreements.

22 A Okay.

23 Q Private easements.

24 A Uh-huh.

25 Q There's a chapter in that manual that

1 GECY - HAMNER (DIRECT EXAMINATION)

2 says that a road maintenance agreement can be
3 waived for a veteran, would it be unfair for
4 South Carolina Bank and Trust to require the
5 road maintenance agreement signed by all
6 parties?

7 MR. HOLLOWAY: Objection to the
8 question in its entirety.

9 BY MR. GECY:

10 Q You've got to answer the question,
11 Jaime.

12 A Is it unfair that they hold me to that
13 requirement?

14 Q The bank, South Carolina Bank and
15 Trust? Now remember, you're applying for this
16 VA loan.

17 A Yeah.

18 Q You said that the bank said that they
19 needed a road maintenance agreement for the VA.

20 MR. HOLLOWAY: Objection to the
21 form of the question.

22 BY MR. GECY:

23 Q You've got to answer the question,
24 Jaime.

25 A Not knowing this document existed I'm

1 GECY - HAMNER (DIRECT EXAMINATION)

2 going to say that would have been unfair if -- I
3 would venture to say, and you know this, that if
4 I knew that document existed then I would have
5 closed on the house.

6 Q Okay.

7 A But I was not aware of a waiver that --

8 Q I'm not asking you, I'm asking you, the
9 bank.

10 A Yeah, no, I see what you're saying and
11 --

12 Q And your testimony, just now, is if
13 there was an option to have the road maintenance
14 agreement waived and that was the final
15 condition of the loan and it got waived you
16 would have closed on 10 Meridith Lane or at
17 least you were prepared to close, is that your
18 testimony?

19 MR. HOLLOWAY: Objection to the
20 form.

21 BY MR. GECY:

22 Q Answer the question, Jaime.

23 A We were prepared to close on the loan.

24 Q That's right. And if the road
25 maintenance agreement was waived, therefore

1 GECY - HAMNER (DIRECT EXAMINATION)

2 eliminating the final condition, you were
3 prepared to close, correct?

4 A If that was the condition, yes, I was
5 prepared to close.

6 Q What was the final condition of the
7 loan, Jaime?

8 A My understanding is there were two
9 conditions. There was the road maintenance
10 agreement but there was an appraisal issue.

11 Q Okay.

12 A Those were the two that I know of.

13 Q Okay. Now, when you say 'appraisal
14 issue' what appraisal issue are you referencing
15 that stopped you from closing?

16 A The appraisal issue was the land did
17 not appraise for what it was supposed to or what
18 you wanted it to be. I think -- I think you
19 wanted to sell the land for 150. It came under
20 that, what, 120, 115. You were not happy with
21 that.

22 I know there were discussions about a
23 new appraisal but as far as I knew a new
24 appraisal had not been ordered from the bank,
25 they never told me.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 So, there were always two, two problems
3 for me; one, I was very familiar with because I
4 was trying to help you with it, the other one
5 was out of my control.

6 Q Okay. So if the bank had accepted the
7 second appraisal or they could have worked with
8 the first appraisal, you were okay with that?

9 A I was okay with the approved appraisal
10 from the bank, yes.

11 Q Okay. So if the bank approved it and
12 they approved the original appraisal you were
13 okay with it and as far as you knew the final
14 condition was the road maintenance agreement
15 because you just said there were two conditions
16 that you knew of, two issues?

17 A The appraisal. I never got told it was
18 approved. That wasn't --

19 Q Did you ever get told it was denied?

20 A Just the first time, the first one --
21 day we all met with Bruce and Ben or Bruce, you,
22 myself and Doug in his office.

23 Q Did Bruce tell you that the appraisal
24 was denied and not satisfactory to the
25 transaction?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A The first appraisal, yes.

3 Q He said -- did he say the bank would
4 not accept that appraisal?

5 A No, no. You actually told me you
6 wouldn't accept that appraisal. It had to be
7 150.

8 Q But I'm not asking about me, I'm asking
9 about Bruce. I'm not the bank.

10 A I never heard --

11 Q Bruce and Doug is from the bank.

12 A Yeah. I never heard -- I remember
13 e-mails between yourself and Bruce. I don't
14 have my e-mails on me with -- but they
15 authorized another appraisal with one of their
16 people. To my knowledge that did not happen but
17 I was never told another appraisal was ordered.

18 Q That's not the question. Was the
19 original appraisal ever rejected by the bank to
20 you or did you ever receive anything in writing
21 rejecting the appraisal or saying the appraisal
22 was unsatisfactory?

23 A Not from the bank.

24 Q Okay. Did you receive anything from
25 anyone else, any attorney, anyone else during

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the transaction that the appraisal was
3 unsatisfactory? How about Dixie Sturgeon,
4 coordinator for South Carolina Bank and Trust,
5 did she ever send you anything?

6 A I don't know who that is.

7 Q Okay, good. She's the appraisal
8 coordinator. She's the one that handles
9 appraisals.

10 A The only -- the only person that I ever
11 had a conversation about this was not going to
12 work was with you about the appraisal. It was
13 lower than what you wanted it, which sparked the
14 meeting with the bank.

15 Q Okay, all right. Let's talk about that
16 little meeting there and some e-mails pertaining
17 to that.

18 Do you remember what the combined sales
19 price was of the construction agreement and the
20 lot loan purchase?

21 A I do not.

22 Q Okay. Do you think it's somewhere
23 around 306,900 combined sales price?

24 A Somewhere around there for the loan.

25 Q Okay, all right. Let's make this an

1 GECY - HAMNER (DIRECT EXAMINATION)

2 exhibit, please.

3 (Whereupon, Plaintiff's Exhibit
4 Number 5 was marked for
5 identification.)

6 BY MR. GECY:

7 Q Now, this issue that you said I had
8 with the appraisal, was there another appraisal
9 that was ordered or completed in the very
10 beginning, that you know of, by the appraiser?

11 A By the appraiser?

12 Q Did the appraiser prepare an initial
13 appraisal that was incorrect or needed some
14 adjustments?

15 A Are you referring to the first
16 appraisal that Ms. Moody did?

17 Q Yes.

18 A There was a first appraisal.

19 Q Okay. And then there was a second
20 appraisal, correct?

21 A Not that I know of. I know that you
22 handed, at our meeting --

23 Q No, I'm talking about two appraisals
24 prepared by Ms. Moody.

25 Did she ever -- did Ms. Moody, the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 appraiser, ever prepare two appraisals for the
3 bank, an initial appraisal and then a corrected
4 appraisal after that?

5 A I don't know.

6 Q Okay.

7 A I know of the initial. I think that's
8 what I have on my copy.

9 Q Okay. So it's your testimony that Ms.
10 Moody only completed one appraisal for the
11 property located at 10 Meridith Lane?

12 A That I can recall, yes.

13 Q Okay, all right. This is a copy of Ms.
14 Moody's appraisal.

15 I want you to look --

16 MR. HOLLOWAY: You want to mark
17 that?

18 MR. GECY: It's already marked,
19 sir.

20 BY MR. GECY:

21 Q What does the purchase price say right
22 there for the sales price, Mr. Hamner?

23 A 306,900.

24 Q Okay. Down at you bottom there's a
25 figure down there for the total appraisal of the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 land and the home. What does that figure say?

3 A 350,000.

4 Q Okay. I'm going to point back up to
5 the top for the record. Again, what does this
6 combined sales price say on the appraisal up top
7 there, again, what was that figure?

8 A 306,900.

9 Q Okay. And the bottom value that Ms.
10 Moody put on this property with the land and the
11 construction is how much?

12 A 350,000.

13 Q Okay. I'm going to give you a
14 calculator here that I thought we had in here.

15 A 43,100.

16 Q There you go. You would have \$43,100
17 equity in that property based on her opinion, is
18 that correct?

19 A Yes.

20 Q Okay. And this is the same property
21 that you originally testified to that you and
22 your family really liked.

23 A Yes.

24 Q It would have been nice to close on a
25 property and immediately have 40 something

1 GECY - HAMNER (DIRECT EXAMINATION)

2 thousand dollars in equity right off the bat?

3 MR. HOLLOWAY: Objection to the
4 form.

5 BY MR. GECY:

6 Q Correct?

7 A I would --

8 Q Were you looking for more equity in the
9 property than that?

10 A No, I would just question that
11 number because there's -- there was money that I
12 put in for upgrades to this, so we wouldn't have
13 necessarily had that equity for us.

14 Q Okay. So subtract that from the 40,000
15 and some change you would still have substantial
16 equity in the property, correct?

17 A Correct.

18 Q Okay, all right. Now, let's talk about
19 this report a little bit.

20 Do you know who Patrice Moody is?

21 A Only what you told me of her. I don't
22 know her, personally.

23 Q What did I tell you?

24 A That she was a neighbor.

25 Q Okay. That's what I'm getting to next.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 We've already made this an exhibit.

3 Can you tell me where Ms. Moody's
4 illustrated residence, primary residence is
5 located to the Hamner/Gecy transaction property?

6 A I don't know where her residence is.

7 Q Okay. I've illustrated it right here.
8 It's directly adjacent to the northeast corner
9 of the property, okay, which is pretty close to
10 Ferguson, Chalmers, O'Neal and some of the other
11 residents.

12 MR. HOLLOWAY: Objection.

13 BY MR. GECY: Correct?

14 MR. HOLLOWAY: Testimony.

15 BY MR. GECY:

16 Q Answer the question.

17 A If that's accurate it's next to the
18 property.

19 Q Okay. Is that in the general area of
20 10 Meridith Lane?

21 A That's quite a ways away from it but
22 it's from the other -- there's no access from
23 Meridith to Moody.

24 Q I didn't ask you about the access but
25 if you walk through the property how close is

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the Moody property, assuming that that's her
3 residence adjacent to it, is it a few feet?

4 A Well, if that's her residence she's
5 right next to the property.

6 Q Okay. Means she lives right next door.
7 Her property line is adjacent to the property?

8 MR. HOLLOWAY: Objection. That's
9 not what's depicted on the thing and
10 it's testimony, not --

11 MR. GECY: Okay.

12 MR. HOLLOWAY: -- a question.

13 BY MR. GECY:

14 Q All right. So, with this report, the
15 bank ordered an appraisal through an appraiser
16 that lived directly adjacent to the property.

17 Do you think that an appraiser was able
18 to or an appraisal like that could prepare an
19 unbiased or biased appraisal on a property
20 living right next door? I'm asking for your
21 opinion.

22 A I would say, yes. I don't know Ms.
23 Moody.

24 Q Okay.

25 A Everyone has different character.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay.

3 A If I knew her I could make that
4 assumption but I don't know her so I would
5 assume that she did.

6 Q How about Benjamin Gecy, he has a
7 little bit different character, doesn't he?

8 A I really don't know you.

9 Q Mr. Ferguson thinks -- what does Mr.
10 Ferguson think of Benjamin Gecy?

11 A You two are not friends.

12 Q Okay, all right. He made it pretty
13 clear on that, didn't he?

14 A That was his opinion, yes.

15 Q Okay, all right. Do you think it would
16 have been fair for Mr. Ferguson to appraise my
17 property as a seller in a transaction?

18 A If he was authorized to do so I would
19 assume that there are regulations that govern
20 this and so anybody can do it probably and if
21 someone gained a -- and I would hope that
22 somebody would or there's a regulation in place
23 that would govern that.

24 Q So --

25 A But I can't vouch on -- anybody can do

1 GECY - HAMNER (DIRECT EXAMINATION)

2 it if they're qualified to do it.

3 Q So if there's a conflict with let's say
4 Mr. Ferguson and me, personally, they should
5 notify the person who ordered the report to be
6 done, correct?

7 A If that's the regulations that are in
8 place, yes.

9 Q Okay, okay. Do you think there would
10 be a conflict of interest if you were selling a
11 property and the bank ordered an appraisal
12 through an adjacent landowner that did not like
13 you, do you think you'd get a fair assessment of
14 your property if you were in my shoes with that
15 property?

16 A Once again, I would hope but I don't
17 know. I don't know how this works as far as --
18 I would hope that people are professional --

19 Q I'm not asking that, I'm asking your
20 opinion, yes or no?

21 A I think it can be fair. If it's not
22 then I guess there's a recourse.

23 Q So do you think -- you think it's fair
24 for someone that lives right next door to a
25 parcel of property to be able to appraise

1 GECY - HAMNER (DIRECT EXAMINATION)

2 someone that they have negative feelings about
3 or totally despises?

4 MR. HOLLOWAY: Objection to the
5 form of the question.

6 BY MR. GECY:

7 Q Answer the question, please.

8 A I would say it's fair. I don't think
9 it violates anything.

10 Q Okay.

11 A It might just seem a little strange.

12 Q Okay.

13 A But as far as fair, I --

14 Q You think it would be a conflict of
15 interest?

16 A It could.

17 Q It could be. And do you think, in
18 those same guidelines and regulations, do you
19 think there are probably areas, just like that
20 VA manual, that address conflicts of interest?

21 A I don't know. I --

22 Q Could there be?

23 A I would assume that there's something
24 that governs that --

25 Q Okay.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A -- not being familiar with this.

3 Q Do you see how big that manual is right
4 there?

5 A Uh-huh.

6 Q That's a pretty large manual, isn't it?

7 A Yes.

8 Q Probably pretty typical of government
9 -- the government, right? But that's a detailed
10 manual and I can tell you probably the US PAP
11 guidelines that appraisers use, that document's
12 probably larger than that.

13 MR. HOLLOWAY: I'm going to object
14 to the testimony, Mr. Gecy. The
15 document's not been marked into the
16 record, also.

17 MR. GECY: Yeah, we'll get to it.

18 All right.

19 BY MR. GECY:

20 Q Let's look at the square footage that
21 Ms. Moody has documented on this report, page
22 three of six, I believe that's right there.
23 What does that square footage say for the
24 dwelling?

25 A 2,634 square feet.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. And her opinion of the site
3 value, what does that say?

4 A 115,000.

5 Q Okay, all right. In appraising both of
6 those and adding those numbers together I want
7 to you read this entire statement for the record
8 that's in bold right down there and the number.

9 A 'Based on a complete visual inspection
10 of the interior and exterior areas of the
11 subject property defined scope of work statement
12 of assumptions and limited conditions an
13 appraiser certification my R opinion of the
14 market value is defined of the real property
15 that is the subject of this report is 350,000.'

16 Q Did that number exceed the combined
17 sales price and construction price in both
18 contracts you signed with Mr. Gecy of 306,900?

19 A It is -- surpasses that number.

20 Q Did you ever receive any denial letter
21 or any document from the bank rejecting this
22 appraisal?

23 A Not from the bank.

24 Q Did you receive any verbal denial or
25 rejection from the bank saying this appraisal

1 GECY - HAMNER (DIRECT EXAMINATION)

2 wouldn't work?

3 A Not from the bank.

4 Q Did you ever receive any e-mail
5 correspondence from the bank that this appraisal
6 was invalid and not acceptable?

7 A The only thing I heard from the bank --

8 Q Not heard, e-mailed, the question is
9 about an e-mail.

10 A I don't have an e-mail.

11 Q Okay.

12 A Verbal and it wasn't a disapproval.

13 Q Okay. So, the bank never rejected this
14 appraisal, e-mail, verbal or in writing, that's
15 your testimony?

16 A Not that I'm aware.

17 Q Yes or no?

18 MR. WEGMANN: He can answer the
19 question but he answered it 'not that
20 he's aware of'.

21 BY MR. GECY:

22 Q Yes or no?

23 A Not that I'm aware.

24 Q Uh-huh, okay, all right, all right.

25 Jaime, before we broke we were talking

1 GECY - HAMNER (DIRECT EXAMINATION)
2 about had you ever applied with GMC Mortgage and
3 you said, no, you did not.

4 Let me give you some documents right
5 here and I want you to take a look at those
6 documents and I want you to read the top of
7 them.

8 MR. HOLLOWAY: Wait a minute. Let
9 me review this first. I don't think --
10 have they been provided in discovery?

11 MR. GECY: They should have been.

12 MR. HOLLOWAY: May I see them?

13 MR. GECY: Yeah, yeah, you can
14 review them.

15 MR. HOLLOWAY: No objection.

16 BY MR. GECY:

17 Q Okay. I want you to take a look at the
18 top of the e-mail and review where that e-mail
19 was from, speak for the record and tell me what
20 it says and who it's from.

21 A Top of the e-mail is --

22 Q I'll circle it for you. Please read
23 the original message that is circled right
24 there.

25 A From Jaime Hamner to Ben at Beaufort

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Lending.

3 Q I want you to read that e-mail. I want
4 you to read from and I want you to read that in
5 entirety and I want you to tell me if that's
6 your e-mail address.

7 A jaimehamner@yahoo.com that's my e-mail
8 address.

9 Q Is that your e-mail address?

10 A Yes.

11 Q Okay. Who's it to you?

12 A To you.

13 Q When you say 'who'?

14 A ben@beaufortlending.com.

15 Q Okay. And ben@beaufortlending.com, is
16 that Benjamin Gecy? Is that who you believe was
17 Benjamin Gecy?

18 A I assume that's your e-mail address.

19 Q Okay, all right, all right. Keep
20 going.

21 A 'Sent Thursday, January 14th 2010.
22 Subject pre-qualify request for -- from GMC
23 website.'

24 Q Okay. Do you recall filling that
25 document out?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I don't recall.

3 Q Okay. Well your earlier testimony --

4 A I filled out all my information so I
5 assume I did.

6 Q Earlier testimony you said you never
7 applied with GMC Mortgage.

8 MR. WEGMANN: That's not what he
9 said.

10 MR. GECY: Yes, it is.

11 THE WITNESS: I don't believe
12 that's what I said.

13 MR. GECY: Okay.

14 MR. WEGMANN: He said he didn't
15 know what information he filled out.

16 MR. GECY: He said he didn't --
17 you used the word 'apply'.

18 BY MR. GECY:

19 Q In that application under financial
20 information read me the first four lines there
21 for the record. What do they say?

22 A 'Only requested purchase. Loan term
23 30. First choice 15 inquiry. Loan amount
24 desired 300,000.'

25 Q Okay. So it looks like you were

1 GECY - HAMNER (DIRECT EXAMINATION)

2 applying for a loan there, is that correct?

3 A I would say that was correct.

4 Q Okay. Underneath that it asks you how
5 many years you've been at your present job.

6 Back in 2010 what you put in there,
7 does that seem to be accurate?

8 A It was close.

9 Q Okay.

10 A Okay. It was 18 and some change.

11 Q Why don't you take a minute and review
12 all of that information right there and see if
13 it's accurate based on your personal assets,
14 addresses, phone numbers and tell me if there
15 are any errors there and I want you to take your
16 time, Jaime, and I want you to be real clear on
17 this. I want you to review every line for the
18 record.

19 A It appears to be correct, the phone
20 numbers -- some of those phone numbers don't
21 exist.

22 Q Anymore?

23 A Anymore but --

24 Q Okay. That document came from your
25 e-mail address. Did you fill in that

1 GECY - HAMNER (DIRECT EXAMINATION)

2 information on the website?

3 A I must have.

4 Q Okay, all right. Let's take a look at
5 the next one. Starting at the top here I want
6 you to read me who that's from with the e-mail
7 address and everything included in that area
8 I've circled.

9 A From deborahhamner@yahoo.com.

10 Q Is that your wife's e-mail address?

11 A Yes, to ben@beaufortlending. Sent
12 January 14th. Subject: Pre-qualify request
13 from GMC website.'

14 Q What time was that sent?

15 A 8:02.

16 Q Okay. And Exhibit Number 3, what time
17 was that e-mail sent from your e-mail address?

18 A 7:58.

19 Q Okay. Did both of these documents come
20 from your e-mail address?

21 A No.

22 Q Okay. Where did the Exhibit Number 4
23 come from?

24 (Whereupon, Mrs. Deborah Hamner
25 entered the proceedings.)

1 GECY - HAMNER (DIRECT EXAMINATION)

2 THE WITNESS: From my wife's
3 address.

4 BY MR. GECY:

5 Q Okay, all right. And can you review
6 that information, although you didn't complete
7 that or actually the question is, did you
8 complete that for your wife or did your wife
9 complete that?

10 A She was sitting right next to me.

11 Q Okay. Can you review that information
12 for its accuracy and --

13 A I messed up.

14 Q Tell me if you see any errors there.

15 A I messed up her social.

16 Q Now, you messed it up or she messed it
17 up?

18 A I can't answer that.

19 Q Excuse me?

20 A I can't answer that. It was a typo,
21 she could have typed it or I could have typed
22 it.

23 Q Okay. Because I thought you said that
24 you messed up her --

25 A No.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay.

3 A Sorry. I guess those numbers are
4 right. I don't know that --

5 Q What numbers are you referring?

6 A Her income.

7 Q Okay, okay. Just a general quick phone
8 or quick website application, right?

9 And that document was filled out by you
10 or your wife?

11 MR. HOLLOWAY: Objection to the
12 form.

13 BY MR. GECY:

14 Q Was the document filled out by you or
15 your wife?

16 A We did these together, yes.

17 Q Okay, thank you, okay.

18 And for the record, one more time, at
19 the top what were the dates on those documents?

20 A 14 -- I'm sorry. At the top or from?

21 Q The area that I've circled there?

22 A 14 January.

23 Q Okay, all right. I may have asked this
24 question before since we got off my little
25 timeline here but have you discussed this case

1 GECY - HAMNER (DIRECT EXAMINATION)

2 with any mortgage professionals or any other
3 real estate professionals, besides Doug?

4 A Not that I recall.

5 Q Okay. Have you ever applied for FHA
6 financing?

7 A Not that I recall.

8 Q Okay. Have you ever applied for USDA
9 financing?

10 A Not that I recall.

11 Q Have you ever applied for conventional
12 financing?

13 A Not that I recall.

14 Q Okay. Were you approved for the
15 hundred percent construction financing for the
16 10 Meridith Lane construction and purchase?

17 A Approved, I guess, no.

18 Q Okay.

19 A I don't have -- I didn't have a
20 closing.

21 Q Okay.

22 A So I would say, no, I didn't.

23 Q Did you ever receive a denial?

24 A I think I did have a denial after the
25 contracts expired.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q After the contracts expired. Do you
3 know when that denial was issued, if you did
4 receive one?

5 A I don't know the date.

6 Q Okay. Do you know what the -- what was
7 the denial for?

8 A I think the denial was for lack of road
9 -- signing a road maintenance agreement and
10 appraisal.

11 Q Okay.

12 A I think was what I saw.

13 (Whereupon, Plaintiff's Exhibit
14 Number 6 was marked for
15 identification.)

16 BY MR. GECY:

17 Q For the record this is Defendants
18 Exhibit 21 now Plaintiff's Exhibit 6, credit
19 denial letter.

20 Take a look at that, Jaime, and I want
21 you to read me the loan amount that's at the top
22 of the credit denial there and I'll circle it
23 for you.

24 A 319,600.

25 Q Okay. Why is that loan amount

1 GECY - HAMNER (DIRECT EXAMINATION)

2 different than the application you signed with
3 South Carolina Bank and Trust?

4 A I don't know.

5 Q Did you increase the loan amount with
6 South Carolina Bank and Trust from 306,900?

7 A No.

8 Q Was the contract ever increased from
9 306,900 to 319,600?

10 A Not that I'm aware.

11 Q Why would the bank have a denial letter
12 with a different loan amount than your
13 application?

14 A I don't know.

15 Q Okay. I'm going to need those in a
16 minute, Mr. Wegmann.

17 BY MR. GECY:

18 Q Down at the bottom or actually in the
19 body of the denial letter can you tell me why
20 the loan was actually denied? Should be marked
21 with an X.

22 A There's an X on inadequate collateral.

23 Q Okay. And what are the categories
24 underneath that X. Can you read those for the
25 record?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A Unacceptable property, insufficient
3 data, property unacceptable, appraisal
4 unacceptable, leasehold estate.

5 Q Okay. Are any of those checked in that
6 denial letter?

7 A No.

8 Q Okay. I want you to go down to the
9 bottom and tell me -- read this for the record
10 that is checked at the very bottom and please
11 speak loudly for the record.

12 A 'Declined due to not being able to
13 obtain a road maintenance agreement for the
14 subject property.'

15 Q Does it say it's client for an
16 appraisal?

17 A No.

18 Q Okay. At the very bottom who signed
19 that document, Jaime?

20 A I can't read the signature but it's
21 printed Doug Jacobs.

22 Q So we all assume that Doug signed that?

23 MR. HOLLOWAY: Objection.

24 THE WITNESS: (Witness shakes
25 head.)

1 GECY - HAMNER (DIRECT EXAMINATION)

2 BY MR. GECY:

3 Q All right. What's the date on that
4 denial letter? It should be to the left at his
5 signature.

6 A March 10th 2010.

7 Q Had the contract expired by then?

8 A The first contract expired by then.

9 Q Which first contract?

10 A Whatever we signed. We had a contract
11 that expired on March 5th and then it went into
12 an extension.

13 Q Okay. Well, if you have an extension
14 how can it be expired?

15 A Well, there was a question about that
16 extension.

17 Q Okay. So you're debating -- are you
18 debating that there was no extension to the
19 contract?

20 A I am debating the terms that I was told
21 by the extension but after I met with yourself
22 and Ken Tootle I was told it was an automatic
23 extension. I questioned if it was not an
24 automatic extension but nonetheless I didn't
25 fight it because I wanted the property.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay.

3 A It wasn't a mute point for me.

4 Q Okay.

5 A We had to extend. The deal wasn't -- I
6 tried to make it happen.

7 Q That's right. So, after this denial
8 letter, whenever it was produced, the date on
9 it's March 10th, did you continue to pursue the
10 purchase of 10 Meridith Lane?

11 A Yes.

12 Q Okay. And did you want to close on 10
13 Meridith Lane after you received this document?

14 A Yes.

15 Q Okay, thank you, Mr. Hamner.

16 Mr. Hamner, how many applications did
17 you sign, if any, with GMC Mortgage, mortgage
18 applications?

19 A I don't know if I signed any or me or
20 my wife.

21 Q Okay.

22 A I know we came here first and then you
23 referred us to Doug Jacobs at SCB&T.

24 Q Okay. How many---

25 A I can't recall if we signed any

1 GECY - HAMNER (DIRECT EXAMINATION)

2 applications here.

3 Q Okay. How many applications did you
4 sign at South Carolina Bank and Trust for the
5 financing deal with 10 Meridith Lane, purchase
6 and construction?

7 A I'm not sure.

8 Q Was it --

9 A I thought it --

10 Q -- one?

11 A I thought maybe it was the one on --

12 Q Could it have been five?

13 A I don't believe it was five.

14 Q Could it have been more than two?

15 A I don't think so.

16 Q Could it have been more than one?

17 A I don't recall.

18 Q Okay. Well, like I told you, before,
19 we received some documents from South Carolina
20 Bank and Trust on Saturday and in those
21 documents we have two applications that you and
22 your wife signed.

23 I want you to review that document in
24 its entirety, real quick, and I want you to
25 review the information and I want you to flip

1 GECY - HAMNER (DIRECT EXAMINATION)

2 back to the front and I want you to compare it
3 to make sure that everything's accurate there.

4 MR. HOLLOWAY: I will say that
5 that document hasn't been previously
6 provided to Mr. Hamner and if you
7 haven't provided it for more than two
8 days he has a right to review it at his
9 leisure and decide whether he wants to
10 answer it or not but I'll leave that to
11 you.

12 MR. WEGMANN: Go ahead look at it.

13 MR. GECY: I've got a right to
14 motion to compel the answers that y'all
15 didn't provide, too, so exercise your
16 rights.

17 It would have made it a lot easier
18 on everyone if you wouldn't have waited
19 until the last minute, Tom.

20 MR. HOLLOWAY: Thank you, Ben.

21 MR. GECY: That's right.

22 Tell me when you've had a
23 chance to --

24 MR. WEGMANN: I'm going to look at
25 it when he's done and then we actually

1 GECY - HAMNER (DIRECT EXAMINATION)

2 have an opportunity to talk, yeah.

3 MR. GECY: Well --

4 MR. WEGMANN: We have an
5 opportunity to talk if you present him
6 something we -- he and I can talk about
7 that document. We can't talk about any
8 of the other documents but we can most
9 certainly talk about this document.
10 I'm not saying we're going to.

11 MR. GECY: Oh no, no, that's fine,
12 that's fine. I don't have a problem
13 with that.

14 (Whereupon, an off-the-record
15 discussion was held.)

16 BY MR. GECY:

17 Q Back on the record, please.

18 Jaime, why did you sign two
19 applications with South Carolina Bank and Trust
20 on the purchase and construction 10 Meridith
21 Lane increasing the loan amount on the first
22 application from 306,900 to 319,600?

23 A I don't know why we signed that.

24 Q Okay. Do you know if the second
25 application was a fixed rate mortgage?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A No.

3 Q Okay. Tell me what type of mortgage
4 that is on that Uniform Residential Loan
5 Application at the very top in the same section
6 as the first application.

7 A Conventional ARM.

8 Q Can you speak a little louder for the
9 record and repeat that, please.

10 A Conventional loan, ARM.

11 Q And then what does it say beside ARM?

12 A 'Two-year ARM'.

13 Q Two-year ARM. What do you think that
14 means?

15 A It seems like it's -- like the other
16 one you asked me about, that's that adjustable
17 rate thing.

18 Q What do you think two-year ARM means?

19 A Conventional.

20 Q If you don't know you don't know,
21 Jaime.

22 A I might know.

23 Q Okay, okay, great.

24 A You know, I -- I'd be guessing. I'm
25 not sure what the actual ARM is or what a

1 GECY - HAMNER (DIRECT EXAMINATION)

2 two-year ARM is.

3 Q Okay, all right. Did you and your wife
4 sign that application?

5 A We did.

6 Q Okay. Are there any dates besides your
7 names there?

8 A No verbal response.

9 Q Okay, all right. Was this loan
10 application and the previous loan application
11 for your construction of 10 Meridith Lane,
12 construction and purchase of 10 Meridith Lane,
13 was that the purpose of this application and the
14 first application we have in this set here?

15 A I believe it was for that purpose.

16 Q Okay, all right. Now, your testimony
17 is it was for a -- the loan was a construction
18 loan rolling to permanent financing, correct?

19 A Rolling into a VA loan.

20 Q Which is permanent, that's permanent --

21 A Okay.

22 Q -- financing?

23 A Yes.

24 Q All right. I want you to -- I've
25 circled an area right there on that application

1 GECY - HAMNER (DIRECT EXAMINATION)

2 and I want you to read that for the record and
3 speak loudly for the record for me.

4 A Complete this line of construction or
5 construction permanent loan.

6 Q Is anything filled out in that section?

7 A No.

8 Q Thank you. But you applied for a
9 construction to permanent loan with South
10 Carolina Bank and Trust, correct?

11 A Yes.

12 Q Okay, that's okay. Sometimes we
13 mortgage people make mistakes.

14 MR. HOLLOWAY: Objection.

15 BY MR. GECY:

16 Q All right. This is the Federal Truth
17 in Lending for that set of documents, okay.

18 I want to you take a look at the annual
19 percentage rate, which is in the first box.
20 What does that say?

21 A 4.65 percent.

22 Q Okay, all right. Underneath the
23 payments on that particular loan read for the
24 record from left to right what those payments
25 say and there's three different categories

1 GECY - HAMNER (DIRECT EXAMINATION)

2 there.

3 A 12 payments of \$1,331.67.

4 Q To begin on what date?

5 A April 1st 2010.

6 Q Okay.

7 A 347 at \$1,645.92 on April 1st 2011.

8 One payment at 1,644.91, March 1st 2040.

9 Q Okay. Does that look like the payments
10 might change on that loan?

11 A What do you mean?

12 Q Well, it says the first 12 payments are
13 a certain payment then some payments are at a
14 different payment then you've got one payment at
15 another payment. Does it look like the payments
16 might change on that particular loan?

17 A The payments do change, yes.

18 Q Okay. Which is what they do in an
19 adjustable rate mortgage, which is what this
20 application is right here?

21 MR. HOLLOWAY: Objection.

22 BY MR. GECY:

23 Q Does the application on the front
24 page -- is the box checked that it's an
25 adjustable rate mortgage?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A Which is the front page of this one?

3 Q Right here, Jaime.

4 A It's checked ARM.

5 Q Okay. And the first application that
6 we went over from South Carolina Bank and Trust,
7 which I've circled --

8 A Uh-huh.

9 Q -- also says this is a two-year ARM
10 adjustable rate mortgage, is that correct?

11 A Yes.

12 Q Okay. And you signed all these
13 documents?

14 A Yes.

15 Q Okay. But there is some stipulation to
16 whether you dated those documents with your
17 signature, is that correct? Or excuse me, with
18 your dates and numbers, is that correct?

19 A I did not say that.

20 Q Well, before when I asked you if that
21 looked like your handwriting you said it wasn't?

22 A That's correct.

23 Q Okay.

24 A I said it could be my wife.

25 Q Okay, all right. Same thing here. I

1 GECY - HAMNER (DIRECT EXAMINATION)

2 want you to review the signatures and the dates
3 on the remaining documents and I want you to
4 tell me if that's your handwriting where the
5 dates are and also tell me if it's your
6 signature.

7 Do those all appear to be your
8 signature on those documents?

9 A Those do look like my signature.

10 Q All right. And does the date filled in
11 beside your name, does that look like your
12 handwriting?

13 A Does not look like my handwriting.

14 Q Could it possibly be your handwriting?

15 A It could possibly. I can tell you that
16 it gets worse as you get through all these
17 documents.

18 Q Okay, all right. Does that concern you
19 that there were two applications that you had
20 with South Carolina Bank and Trust and both of
21 them were adjustable rates?

22 A It didn't concern me because that was
23 just half of --

24 Q Yeah.

25 A -- what I was looking at.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q What happens if the other half could
3 not have been fulfilled by the bank, would it
4 have been a concern then?

5 A Being where we were it was never a
6 concern for us. It was never a thought that we
7 would be not funded by a VA.

8 Q Okay. But let's just say that that
9 didn't happen for some -- some unknown reason.
10 Would that be a concern that you were in an
11 adjustable rate?

12 A Never though about it.

13 Q And you were at the mercy of the market
14 conditions that would not be a concern for you?

15 A It wasn't a concern only because, like
16 I said, because we were -- we were unique in
17 that two active duty military. I never even
18 thought about an adjustable rate being a concern
19 or not getting approved for a loan. It wasn't
20 my concerns.

21 Q Okay, all right. Mr. Hamner, you
22 consider yourself a conservative buyer of real
23 estate property?

24 A What do you mean by 'conservative'?

25 Q Like you carefully look at property and

1 GECY - HAMNER (DIRECT EXAMINATION)

2 evaluate property. You just don't go out and
3 buy the first thing that you see?

4 A We usually look into what we're about
5 to buy.

6 Q Yeah. So you're cautious. You like to
7 evaluate the situation a little bit before you
8 make a decision?

9 A Yes.

10 Q Okay. So you would not consider
11 yourself a liberal buyer where you just buy the
12 first thing that you guys look at. You
13 carefully go out and review property, don't you?

14 A We try.

15 Q Okay, okay. And you testified,
16 earlier, that you don't have any real estate
17 experience, no real estate licenses. You never
18 applied for a real estate license, right?

19 A Correct.

20 Q And you have no intentions of ever
21 getting into that business, correct?

22 A Correct.

23 Q Never want to take any classes dealing
24 with that?

25 A No.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. Same thing with the mortgage
3 side of things?

4 A No.

5 Q Okay, all right. So it's fair to say
6 you had inferior knowledge when it came to real
7 estate, correct? You didn't have superior
8 knowledge, did you?

9 A Correct. I'm not an expert in that
10 field.

11 Q Okay. There are experts that get paid
12 in that field to -- do experts get paid in that
13 field, licensed? That's why they -- license
14 individuals, to get paid in that particular
15 field; mortgages, real estate? And you -- did
16 you rely on some of those professionals with
17 your mortgage?

18 A Yes.

19 Q Okay. Did you rely on those
20 professionals with the builder of your proposed
21 residence at 10 Meridith Lane?

22 A Yes.

23 Q Okay. Did you rely on your attorney
24 presenting documents or preparing documents for
25 you?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A Yes.

3 Q Okay.

4 (Whereupon, Plaintiff's Exhibit
5 Number 7 was marked for
6 identification.)

7 BY MR. GECY:

8 Q All right. Jaime, this is an agreement
9 for you to sell real estate to Mr. Richard
10 Poole. It's a contract. Got that as
11 Plaintiff's Exhibit Number 7.

12 Are you familiar with that document?
13 You can review it if you'd like.

14 A Yes.

15 Q Okay, all right. For the record, can
16 you tell me what the purchase price was that was
17 agreed upon with both parties?

18 A 152,000.

19 Q Okay. And the closing conveyance shall
20 be made on what date?

21 A February 28th.

22 Q Of what year?

23 A 2010.

24 Q Did both parties fulfil that date with
25 that closing?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A To the best of my knowledge.

3 Q Okay, all right. Who's the buyer and
4 who's the seller of that contract there?

5 A Richard Poole was the buyer.

6 Q And the seller was whom?

7 A Myself and my wife, Deborah.

8 Q Okay. Can you read me the names that
9 are actually illustrated on the contract there?

10 A Jaime Hamner, Deborah Hamner.

11 Q What's the date of that contract?

12 A January 28th 2010.

13 Q Okay. And as of January 28th 2010,
14 you've had no real estate experience,
15 whatsoever, no licenses, don't want anything to
16 do with the real estate business, correct?

17 A I've had no dealings.

18 Q Okay. Let's go to the back page here.
19 Down at the bottom it says who the realtors are.
20 Okay.

21 Tell me what it says and read it for
22 the record. Who was the selling agent and
23 company?

24 A Company's Palmetto Real Estate. I
25 don't know --

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q There's a signature on there?

3 A I don't know who that is.

4 Q And beside it what does the company
5 say?

6 A Palmetto. Palmetto. I don't even know
7 who Palmetto is.

8 Q Palmetto Real Estate. And then what
9 does the section underneath that read and tell
10 me what box is checked.

11 A Selling agent is presenting this offer
12 as a buyer's agent.

13 Q Okay. So does that tell you whoever
14 signed that document was only representing the
15 buyer?

16 A I don't know.

17 Q I'm asking you a question. Does it say
18 that they're only representing the buyer?

19 A It's only checked 'buyers agent'.

20 Q Okay, all right. Who's the selling
21 agent on that contract?

22 A There's not a name listed.

23 Q Okay. Did you have a -- excuse me, who
24 was the listing agent on the contract?

25 A Not listed on there.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Did you have a listing agent for your
3 property at 11 Southern Magnolia?

4 A We never had to list our property.

5 Q Okay. So you elected not to list your
6 property, correct?

7 A Correct. There was no need.

8 Q There was no need, okay. So you
9 decided to enter into a contract, pro se, sort
10 of like me. You wanted to represent yourself?

11 MR. WEGMANN: Object to the form.

12 BY MR. GECY:

13 Q Is that correct?

14 A That's not correct.

15 Q So you did not represent yourself in
16 that transaction on 11 Southern Magnolia Court?

17 A No.

18 Q Who represented you?

19 A You did.

20 Q I did?

21 A You did.

22 Q Now who is 'you'?

23 A Ben Gecy.

24 Q Benjamin Gecy represented you, okay.

25 Why is Benjamin Gecy's name not on the

1 GECY - HAMNER (DIRECT EXAMINATION)

2 listing agent and company?

3 A I couldn't tell you.

4 Q Did I have a listing agreement with you
5 and your wife to list and represent you on that
6 property?

7 A We never listed the property, so no.

8 Q Okay. So how could I be representing
9 you if you never listed the property?

10 A You represented us because when we came
11 into our first discussions about the new
12 property you told me you had a buyer in hand
13 ready for my property and you produced all the
14 documentation, you did all the stuff a real
15 estate agent would have done for us. At that
16 point you were acting as our agent, also.

17 Q Okay. Did Benjamin Gecy collect a
18 commission on that transaction for this
19 anticipated representation you thought? Did you
20 pay Benjamin Gecy and Palmetto Real Estate for
21 that representation at the closing?

22 A No. Our agreement was everything for
23 us, for us reducing our price to get this family
24 into our home would be added into the next home
25 because time was of an essence and we had to get

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the Pooles, we had to get the Pooles into the
3 house. We didn't want to let them get away is
4 my understanding. We weren't happy with the
5 price that we sold the home.

6 Q Why did you sell it then?

7 A We were very persuasive.

8 Q So I persuaded you to sign that
9 contract?

10 A You persuaded us to lower our price to
11 make up -- but we would make it up on the other
12 end. You have to remember we had just spent
13 about \$20,000 on upgrades and the house
14 appraised for much lower than we thought it
15 would but we fell in love with the land, we fell
16 in love with the idea of the new home so we were
17 willing to make a little sacrifice.

18 Q How is that Benjamin Gecy's
19 responsibility that the price -- the appraised
20 value came in lower? Is he an appraiser?

21 A You got me an appraiser. I didn't know
22 if --

23 Q Is Benjamin Gecy a licensed appraiser,
24 that you know of?

25 A Not that I know of.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. Did Benjamin Gecy conduct this
3 appraisal on this contract, that you know of?

4 A Not that I know of.

5 Q Did the appraisal on this contract meet
6 or exceed the purchase price of 152,000?

7 A Say that again?

8 Q Did the appraisal of 11 Southern
9 Magnolia meet or exceed \$152,000 purchase price?

10 A I think it appraised for higher than
11 that.

12 Q Okay. So why did you sell it at
13 152,000? You just said it came in lower.

14 A Your -- no, the purchasers had to
15 purchase a lower price. You told me that their
16 top-out was 152. That's as much as they could
17 afford.

18 Q That's because Benjamin Gecy was
19 representing the buyer, correct?

20 A I guess you were representing the
21 buyer, according to this.

22 Q Okay.

23 A So they -- that's when that agreement
24 was made was, reduce the price and we'll make it
25 up on the new house.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay.

3 A Which I was fine with. That's sounds
4 like a good deal.

5 Q Okay. Well, do you know what the value
6 of the 11 Southern Magnolia is today?

7 A I have no idea.

8 Q I think we'll get to that in a minute
9 but while we're on the subject let's take a look
10 at another contract.

11 So it's your testimony that the sale of
12 11 Southern Magnolia, that Benjamin Gecy was
13 representing you as a listing agent for your
14 home, although you did not list the property?

15 MR. WEGMANN: Object to the form.

16 BY MR. GECY:

17 Q You've got to answer it.

18 A I never use those terms. I use the
19 term 'real estate agent'. I have never said
20 listing, I don't think, but I don't -- I'm not a
21 real estate guy. I don't know what you guys
22 call yourself. Listing -- I don't even know if
23 that's separate.

24 Q Real estate agent -- did Benjamin Gecy
25 represent you as a real estate agent on listing

1 GECY - HAMNER (DIRECT EXAMINATION)

2 your home?

3 A You never listed my home.

4 Q Did Benjamin --

5 A You helped me sell my home.

6 Q Okay. Did Benjamin Gecy help you sell
7 your home by bringing a buyer to the table that
8 he represented clearly documented in the
9 contract that you have in front of you?

10 MR. WEGMANN: Object to the form.

11 BY MR. GECY:

12 Q Answer the question.

13 A You had a buyer that you had that you
14 thought was in a good position to buy this home.

15 Q Okay. Does that contract reflect that
16 I represented that buyer as a buyer's agent on
17 the last page?

18 A If that's what it means, that check,
19 yes.

20 Q What does the check say, once again,
21 for the record?

22 A 'Selling agent is presenting this offer
23 as a buyer's agent.'

24 Q Okay. And who's the selling agent on
25 that transaction?

1 GECY - HAMNER (DIRECT EXAMINATION)
2 A Selling agent is a signature.
3 Q Benjamin Gecy?
4 A I can't answer that.
5 Q Okay. Was Benjamin Gecy the selling
6 agent on that transaction with Mr. Poole?
7 A As far as I understood, you --
8 Q Okay.
9 A You sold my house.
10 Q Well, you just -- yeah.
11 A So I guess that's what you would
12 call --
13 Q You just testified that I brought Mr.
14 Poole to the table. I'm the selling agent.
15 Benjamin Gecy's the selling agent.
16 A Okay.
17 Q Okay. Does that document say that
18 there's a listing agent?
19 A No.
20 Q Okay. No name, no signature, okay.
21 What was the date of that contract
22 again?
23 A The started or the end?
24 Q Right on the front page, what is the --
25 A January 28th 2010.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. Did you review that document
3 with your wife before you signed it or did you
4 just sign it?

5 A I don't recall. We might have glanced
6 at it. We signed it.

7 Q So let me get this right, you're
8 selling your family's personal home and you just
9 glanced at a real estate contract to sell at a
10 certain price with dozens of conditions with it?

11 MR. WEGMANN: Object to the form.

12 BY MR. GECY:

13 Q Answer the question.

14 A Yes. We trusted -- we trusted the
15 people who were representing us.

16 Q And who was that?

17 A You.

18 Q Okay.

19 A I had no -- at the time I had no reason
20 to question.

21 Q Okay, all right.

22 (Whereupon, Plaintiff's Exhibit
23 Numbers 8 and 9 were marked for
24 identification.)

25 BY MR. GECY:

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. So February or excuse me,
3 January 28th you entered into a contract to sell
4 your property located at 11 Southern Magnolia
5 with a closing date of February 28th 2010, is
6 that correct, per that contract?

7 A Yes.

8 Q Okay. On February 3rd 2010 you and Mr.
9 Gecy and you entered into an agreement to buy
10 real estate, lots and acreage and a new
11 construction contract. Looks like it was on
12 February 3rd. Please review those documents for
13 me, please. Let me know if those are your
14 signatures and that language looks like the
15 agreement we agreed on in the contract.

16 Please do not glance through the
17 documents.

18 A What was your question?

19 Q Do those look like those are your
20 signatures in the agreement that Benjamin Gecy
21 and you agreed to on the purchase and
22 construction of 10 Meridith Lane?

23 A Those are my signatures.

24 (Whereupon, Plaintiff's Exhibit

25 Numbers 10 and 11 were marked for

1 GECY - HAMNER (DIRECT EXAMINATION)

2 identification.)

3 BY MR. GECY:

4 Q Mr. Hamner, for the record I provided
5 you with a new construction contract and
6 agreement to buy and sell real estate.

7 I'm also making Plaintiff's Exhibit's
8 Number 11 -- I want you to compare those to what
9 you have right there in front of you for
10 Plaintiff's Exhibit Number 9 and 8, I believe,
11 so these are 10 and 11.

12 These are the same exhibits that your
13 attorney and Mr. Holloway provided at my
14 deposition a few days ago, I believe that was
15 February 4th. Those are Defendant's Exhibits 5
16 and 6. I want you to compare both of those
17 contracts and see if they are identical in
18 nature.

19 A Exhibit 6, Defendant's Exhibit 6,
20 Plaintiff's Number 11 is missing an addendum
21 page.

22 Q Okay, all right, fair enough, we'll get
23 to that. Is that the only difference you see in
24 those documents?

25 A In that document.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay.

3 A I haven't got to the other one yet.

4 Q Okay.

5 A Same thing. That appears --

6 Q All right. So let me see those
7 documents there.

8 So on February 28th or excuse me
9 January 28th you entered into an agreement to
10 sell your home, pro se, to Richard Poole.

11 MR. WEGMANN: Object to the form.

12 BY MR. GECY:

13 Q February 3rd you enter in both of these
14 contracts and I want you to flip to the last
15 page where the signatures are here. 'Agreement
16 to buy and sell real estate for general use lots
17 and acreage.'

18 Are any real estate agents checked in
19 that figure, listing agent or selling agents?

20 A No.

21 Q Did you have a real estate agent in the
22 transaction to buy Meridith Lane or build at
23 Meridith Lane?

24 A It was my understanding it was you,
25 your company.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Which company was that?

3 A GMC Mortgage or the River -- I thought
4 they were the same thing, River City something.

5 Q Okay. So before you entered into this
6 agreement you understood that Mr. Gecy was a
7 mortgage broker, a builder and a real estate
8 agent, you knew that before you signed this
9 contract, is that correct?

10 A I didn't know all of your titles. I
11 made an assumption that you were a real estate
12 agent because you handled our other property.

13 Q And if I wasn't I'd be in a lot of
14 trouble, right?

15 A I wouldn't know.

16 Q Yeah. And that I was doing -- was I
17 doing the loan for Mr. Poole which led to you
18 believe that I was a licensed mortgage broker?

19 A I didn't actually know you were doing
20 his mortgage.

21 Q Okay, all right. And you called me on
22 some houses that I had advertised in the
23 magazine and we entered into an agreement to
24 build a house. Did you believe that I was a
25 licensed builder?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I did believe that.

3 Q Okay, all right. This is the last page
4 of the contract for new construction. I'm going
5 to circle the area right there.

6 Are there any listing agents or selling
7 agents on that document?

8 A No.

9 Q So approximately five days after you
10 entered into a contract to sell your home, pro
11 se, you signed two other contracts to purchase
12 and construct a home, pro se, didn't you?

13 A I didn't see it that way.

14 Q Which way did you see it?

15 A I saw it that I was entering into an
16 agreement with GMC Mortgage and River City to
17 build a home. That you were handling my case.
18 You had handled everything for me, the sale of
19 the home, the -- take me over to SCB&T. You
20 were building the home. I thought you had it
21 all.

22 Q So it's your testimony that GMC
23 Mortgage was helping you build the house?

24 A I didn't know what you called yourself.

25 I saw so many names, GMC Mortgage, which is on

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the front of the building, this is where we met
3 and then I found it was something else, River
4 City somebody, so --

5 Q Okay. Why don't you flip to the front
6 page of the contract see who you were dealing
7 with.

8 A It says Benjamin Gecy.

9 Q Okay. Does it say GMC Mortgage?

10 A No.

11 Q Does it say River City?

12 A No.

13 Q Does it say River City Developers?

14 A No.

15 Q Does it say Mickie Mouse?

16 A No.

17 Q Does it say Doug Jacobs?

18 A No.

19 Q Does it say South Carolina Bank and
20 Trust?

21 A No.

22 Q Repeat for the record one more time who
23 the seller there is.

24 A Benjamin Gecy.

25 Q Okay. Did you initial that document at

1 GECY - HAMNER (DIRECT EXAMINATION)

2 the bottom?

3 A Yes.

4 Q Did you review that document before you
5 signed it and initialled each page?

6 A We reviewed it, signed it with some
7 assumptions.

8 Q Okay. Did you just glance through it
9 or did you review it? Did you glance through it
10 like you did the SCB&T documents or did you
11 actually review it?

12 A I reviewed the parts that were
13 pertinent. I didn't look at names of people.
14 We made sure our name was correct since you
15 filled out all this documentation I just assumed
16 that -- what is here.

17 Q How about the price, did you review the
18 price?

19 A Yes, we discussed the price.

20 Q Did you review the price in the
21 contract?

22 A Yes. The contract, one was for 150,
23 one was for 156 for a total of 306,9.

24 Q Sounds like you've got a pretty good
25 memory on those numbers, correct?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 MR. WEGMANN: Object to the form.

3 BY MR. GECY:

4 Q Let me finish so I can ask a question,
5 please.

6 MR. WEGMANN: -- a statement.

7 MR. GECY: Well, the statement's
8 going to be a question if you'll just
9 quit muddying up the record then we'll
10 have a record here.

11 BY MR. GECY:

12 Q Did you review the sales price on the
13 contract and did you agree to it?

14 A We did review. You were pretty
15 thorough and we did agree to the sales price.

16 Q Did I hold you -- did Benjamin Gecy
17 hold you hostage or extort you to sign that
18 contract, in any way or form?

19 A No.

20 Q Okay. So, two parties agreed on terms
21 and conditions that seemed like a fair deal, is
22 that correct?

23 A Yes, we agreed on a deal. I have --
24 the only thing I said is I had the assumption
25 you were --

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay.

3 A -- called another company because
4 that's who I called.

5 Q That's okay.

6 A I didn't call Ben Gecy.

7 Q Yeah. Well, I was under the assumption
8 SCB&T was going to close this deal so --

9 A Uh-huh.

10 MR. HOLLOWAY: Objection.

11 BY MR. GECY:

12 Q Everybody has assumptions.

13 MR. HOLLOWAY: Objection.

14 BY MR. GECY:

15 Q With the contract, Jaime, we had an
16 addendum --

17 A Yeah.

18 Q -- that came at a later date. I got it
19 right here. Can you tell me the dates on that
20 addendum there that we all signed it?

21 A It says March 5th --

22 Q Uh-huh.

23 A -- 2010.

24 Q And then this is my signature down here
25 as the seller. What was my date?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A Well, let me get back to something real
3 quick is those dates aren't my signatures but
4 your date says March 2nd. Looks like all the
5 dates are the same signature.

6 I would have to check my -- my memory
7 but I don't believe that this document was
8 granted on March 5th. We created this document
9 the same day that we sat down and did the two
10 contracts so I don't know why the dates are
11 different.

12 Q And that's your testimony?

13 A Yeah, because I think the one thing I
14 really wanted on this house that I think one
15 thing was going to make it, make it great was it
16 was off the ground a little bit because of
17 the woods and I had concerns about that,
18 critters, yeah. I can't confirm the date but I
19 know this conversation was had.

20 Q Okay. Is that a -- is that your
21 signature on the document?

22 A It is my signature.

23 Q Okay. Read the last section of what
24 was handwritten in that document there for the
25 record.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A 'Deposit paid in full on 3-5-10.'

3 Q Okay. So, would you have a record of
4 that deposit that you paid on that date? I
5 assume you paid by check, correct?

6 A I wrote you a check. I think it was an
7 SC -- I don't know if I have that check but --

8 Q I'm sure we can get a record of it,
9 right?

10 A I'd be able to get a record.

11 Q Okay. So if you paid the deposit on
12 March 5th why could the agreement not be made on
13 March 5th?

14 A I'm just saying I don't recall these
15 dates. I remember having this conversation when
16 we did the contracts.

17 Q That's fine but we're referring to the
18 document, we're not referring to conversations.

19 A Correct.

20 Q What does the document say?

21 A The document says they were signed on
22 this date. I'm just saying that that's not my
23 handwriting, the date. I can't confirm --
24 confirm that that's the day we signed this
25 thing, that's all.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay. Are these your initials by the
3 3-5 2010 deposit paid?

4 A Yes. You brought this to me. We
5 signed this in the bank lobby, if I remember
6 correctly, where I wrote you the check.

7 Q You didn't bring that check to GMC
8 Mortgage?

9 A No, you drove to me.

10 Q Okay.

11 A And --

12 Q So if a seller prepares a document on
13 one day and writes out the language that both
14 parties that agree to can the seller sign it for
15 the date that he prepared the document and
16 executed it?

17 A I don't know.

18 Q What date did Benjamin Gecy sign the
19 document there?

20 A You signed two dates you have a 3-2-10
21 and a 3-5-10.

22 Q Okay. Are there two signatures? Is
23 there a Benjamin Gecy signature and maybe a
24 witness signature underneath there?

25 A I don't know, to be honest with you.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Is that all one or is that two?

3 Q Well, there's a seller's signature and
4 there's a witness signature. The seller signed
5 it and the witness signed it and they both dated
6 it. Okay?

7 A Okay.

8 Q All right. So read me, for the record,
9 what it says in handwriting at the top of that
10 document and tell me if you agree to those
11 terms.

12 A Starting where?

13 Q I want you to read at the very
14 beginning here and I want you to end where you
15 initialled there and I want to you tell me if
16 you agree to those terms?

17 A In reference to agreement to buy and
18 sell real estate, which is checked -- a bunch of
19 empty stuff -- address, 10 Meridith Lane. Said
20 .08 acres. Tax map number R200005000091 -- do
21 you want me to read it out loud or just read
22 out?

23 Q I want you to read it out loud for the
24 record, please, and if you could speak up that'd
25 be great. Thank you.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A What was the last numbers I gave you?

3 Q The R numbers.

4 A R2000050000291, 0000 Lady's Island

5 29907, County of Beaufort, South Carolina.

6 Buyer agrees to pay out-of-pocket total amount

7 -- floor plan to crawl space total amount of

8 12,400 will be paid on 3-4 2010. Amount will

9 not be added to purchase price. Deposit paid in

10 full 3- 5 10 at 10:45. (Phonetic)

11 Q Okay. You initialled that at the end,
12 didn't you?

13 A I initialled that at the end.

14 Q Why did we agree, Benjamin Gecy and
15 James and Deborah Hamner agree not to have the
16 deposit money added to the sales price?

17 A I didn't want that in the loan.

18 Q Okay, okay, thank you, all right.

19 I'm going to flip to page three of five
20 in the Agreement to Buy and Sell Real Estate
21 General Use Lots and Acreage. I want you to
22 look at Number 24 right there.

23 Read the heading for that.

24 A Disclaimer by brokers and agents.

25 Q Okay. Did you initial the bottom of

1 GECY - HAMNER (DIRECT EXAMINATION)

2 that page?

3 A I did.

4 Q What does it say in handwriting
5 underneath that complete paragraph right there?

6 A No agents.

7 Q What do you think that means?

8 A It mean that I didn't have to get an
9 agent because I thought I already had one.

10 Q Could it have meant that there were no
11 agents in this transaction and all the parties
12 agreed to that?

13 A I don't know about that. Like I said,
14 I had the understanding that you were acting in
15 my best interest. I didn't hire an agent --

16 Q Okay.

17 A -- outside of this office.

18 Q Okay. Did you hire Benjamin Gecy?

19 A I thought I was hiring GMC Mortgage or
20 River City, which is --

21 Q To do what?

22 A To build us a home.

23 Q That's different than representing you
24 as a realtor, Mr. Hamner.

25 Did you hire Benjamin Gecy, as a

1 GECY - HAMNER (DIRECT EXAMINATION)

2 realtor, to represent you in a transaction?

3 A I don't recall really hiring anybody.

4 I remember --

5 Q Okay.

6 A -- you bringing a buyer to me and
7 saying it's a done deal, which I thought was
8 pretty cool.

9 Q That's representing yourself, pro se?

10 MR. WEGMANN: Object to the form.

11 BY MR. GECY:

12 Q Same thing here, Mr. Hamner, the
13 contracts, as they read, and I want you to
14 correct me if I'm wrong, on page three it'll
15 state that there are no agents for the buyer or
16 the seller and on the back page it documents
17 that there are no buying agent or selling agent,
18 is that correct?

19 A On the back page?

20 Q The signature pages, not -- that's not
21 -- this one right here.

22 A Didn't have anything listed.

23 Q Did you have any written agreements
24 with GMC Mortgage, River City Real Estate, River
25 City Developers or Benjamin Gecy that hired him

1 GECY - HAMNER (DIRECT EXAMINATION)

2 as an agent to represent you as a seller on sell
3 -- on Southern Magnolia Lane? Any e-mails, any
4 verbal communications, any contracts,
5 whatsoever, did you have -- do you have any of
6 that in your possession?

7 A Only thing I have is verbal
8 conversations between yourself and myself.

9 Q And that verbal conversation was what?

10 A Was I called you about a new property.

11 Q I'm talking about 11 Southern Magnolia
12 Lane.

13 A Let me finish, please. We knew we had
14 to sell my property. You had the buyer. I was
15 never told that you weren't my selling agent, I
16 just made that assumption.

17 Q That's not what I'm asking, that's not
18 what I'm asking Mr. Hamner.

19 MR. HOLLOWAY: Let him finish his
20 answer. He's entitled to his finish
21 his answer.

22 BY MR. GECY:

23 Q I'm asking you if you have any
24 documentation that hired me as a real estate
25 agent to sell 11 Southern Magnolia?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 MR. WEGMANN: Now you're changing
3 the question. You asked him verbal,
4 e-mail or anything else and he gave you
5 verbal answer that he believed you did.

6 MR. GECY: That had nothing to do
7 with the question that I --

8 MR. WEGMANN: Let him answer.

9 BY MR. GECY:

10 Q I'm going to ask the question one more
11 time for your clarification, Jaime, and please
12 try to answer it accurately and I'm going to try
13 to ask you the question as simply as possible.

14 A Uh-huh.

15 Q Do you have any written documentation
16 signed by Benjamin Gecy and Jaime Hamner that
17 hires Benjamin Gecy or any of his entities or
18 Palmetto Real Estate to represent you on the 11
19 Southern Magnolia property?

20 A No written documentation.

21 Q Okay. Do you have any e-mail
22 communication to that same question?

23 A I don't believe I have any e-mail.

24 Q Okay. Do you have any other
25 correspondence that hires Benjamin Gecy as an

1 GECY - HAMNER (DIRECT EXAMINATION)

2 agent, selling agent or listing agent on your
3 property at 11 Southern Magnolia? Anything in
4 writing?

5 A I have nothing in writing.

6 Q Okay. Do you have -- was there ever a
7 verbal commitment by Benjamin Gecy to represent
8 you on the sale of 11 Southern Magnolia?

9 A It was my assumption that is yes.

10 Q And why do you assume that? Based on
11 what conversation?

12 A That you did not direct me to go get a
13 real estate agent, that you had the buyer in
14 hand, you had a guy for the house. You were
15 handling our new house with everything. It was
16 a package deal. I thought this was great so we
17 rolled with it. I did not ever pursue to find
18 out if I had to have a signed document or if I
19 needed to go get my own real estate agent. You
20 had everything handled so I had that assumption
21 that you were everything for us. I had no
22 reason to question otherwise.

23 Q Did I review and negotiate the contract
24 price with you and your wife?

25 A For which house?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q 11 Southern Magnolia?

3 A After the appraisal we looked at the
4 price. We had our bottom line. You did review
5 it with us and that your buyers couldn't afford
6 that, that number.

7 Q So it's your testimony, today, that the
8 contract was signed after the appraisal was
9 ordered on 11 Southern Magnolia by the lender?

10 A Say that again?

11 Q It's your testimony that the contract
12 you entered into with Richard Poole was
13 completed after an appraisal was ordered by the
14 lender on 11 Southern Magnolia?

15 A I don't know when the appraisal was
16 ordered but I would make an assumption that we
17 wouldn't sell a house to somebody before we got
18 an appraisal on it.

19 Q Okay. So you signed the contract after
20 the lender ordered the appraisal?

21 MR. WEGMANN: Object to the form.

22 THE WITNESS: I don't know when we
23 signed the contract versus when we did
24 the appraisal. I don't know the --

25 BY MR. GECY:

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Well, you just said that you signed the
3 contract after the appraisal was ordered because
4 of the buyer. You either signed it before or
5 after, which one did you do, was the
6 appraisal --

7 MR. HOLLOWAY: You know the
8 objection, Ben. You can ask somebody a
9 question but you don't have to ask it
10 three times. We're never going to
11 finish the deposition if you ask every
12 question three times.

13 MR. GECY: All I'm looking for --
14 he's dancing around. It's a simple
15 answer, Tom.

16 MR. HOLLOWAY: He answered you.
17 Just because you don't like his answers
18 doesn't mean you get to ask it
19 repeatedly.

20 BY MR. GECY:

21 Q I'm going ask you one more time, Mr.
22 Hamner, all right.

23 Do you have anything that says Benjamin
24 Gecy represented you on 11 Southern Magnolia, in
25 writing?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A I do not, in writing.

3 Q Okay, all right. Do you have anything
4 in writing that says Benjamin Gecy represented
5 you on the 10 Meridith Lane property?

6 A When you say 'represented you' are you
7 referring to the listing and selling agent?

8 Q Yes.

9 A I don't have anything in this contract
10 that says that.

11 Q Okay. Well, it wouldn't be in that
12 contract because --

13 A Would it be the other one?

14 Q That contract is an agreement to buy
15 and sell real estate.

16 MR. WEGMANN: Again, you're
17 testifying. Same objection.

18 MR. GECY: All right. I think
19 we're done with those. Save everybody
20 a lot of pain and suffering. All
21 right.

22 BY MR. GECY:

23 Q Mr. Hamner, did you ever cancel your
24 loan application with SCB&T in reference to the
25 10 Meridith Lane purchase and construction?

1 GECY - HAMNER (DIRECT EXAMINATION)

2 A Did I cancel? I don't recall if I
3 canceled a loan. I do know I was out of town.
4 I can't recall if I canceled a loan. I know it
5 was denied. I was told I can't have the house
6 but I don't recall if I canceled or not.

7 Q Did you ever tell Mr. Jacobs to not
8 proceed on that application?

9 A I don't recall if I did. It was a busy
10 time. I was down in the conference. I don't
11 remember.

12 Q Did you ever tell Mr. Jacobs to stop
13 processing that application for 10 Meridith
14 Lane?

15 A I don't remember.

16 Q I'm reminding you you're under oath,
17 Mr. Hamner.

18 A I don't remember.

19 Q Okay.

20 A It was a long time.

21 Q Did Doug or any other representatives
22 at SCB&T tell you they cannot proceed with the
23 loan application at any point in time?

24 A I might have been told that when I got
25 back from my trip because I was curious about a

1 GECY - HAMNER (DIRECT EXAMINATION)

2 road maintenance agreement which they said they
3 did not have. I think at that time I was told
4 that the loan would not close.

5 Q Was that before the expiration of the
6 contract?

7 A That would have been -- that would have
8 been after the expiration. I think I was
9 traveling back around that timeframe.

10 Q Let's go back to the question of asking
11 you did you ever tell Doug to not proceed or
12 cancel -- not proceed with the application. You
13 said you don't know. Could you have possibly
14 told him to stop since you don't know?

15 A I could possibly have told him to stop
16 if it was beyond the extension date.

17 Q Why would you tell him to stop on an
18 application after a contract date that you're
19 not obligated to?

20 A Why wouldn't I? At that time this was
21 a very, very stressful time for me and my
22 family. We had sold our house. We were in a
23 rental. Our renters were about to boot us out
24 because they wanted more permanent residents. I
25 needed a home. I wanted this home very badly.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 It seemed like this deal was not going to happen
3 and after we went past an extension date I
4 questioned -- and it was a long trip from
5 Florida -- I requested if this was ever going to
6 happen and I did not want to move my family
7 again to another rental.

8 That time is very, very disheartening.
9 It took a lot for us to -- especially when we
10 got the final disapproval from the bank that
11 this wasn't going to happen because that was the
12 dream property for us but after the extension
13 expired I really don't think, to this day, it
14 was never going to happen and I could not try to
15 pursue this. We needed a place to.

16 Q So if the road maintenance agreement
17 had been waived by the bank you were ready to
18 close?

19 MR. HOLLOWAY: Objection to the
20 form.

21 BY MR. GECY:

22 Q You've got to answer the question.

23 A I was absolutely ready to close if we
24 could have gotten the approved loan.

25 BY MR. GECY:

1 GECY - HAMNER (DIRECT EXAMINATION)

2 Q Okay.

3 A But we were told no to us. It was --
4 it was over, at that point.

5 Q Who told you no?

6 A The bank.

7 Q Who's the bank?

8 A Doug Jacobs.

9 Q What did Doug tell you?

10 A That they did not have a signed a road
11 maintenance agreement. We could not pursue the
12 loan, at that point.

13 Q Okay. Didn't tell you anything about
14 an appraisal, did he?

15 A Not at that time.

16 Q Okay, all right. Did you ever have any
17 meetings with Bruce or Doug, privately, other
18 than the one that you say we had, me, Doug and
19 you and then me, Doug, Bruce and you?

20 A The only meeting with Doug, Bruce and I
21 was the one you were at. Yeah, I didn't know
22 even know Bruce. I didn't know why Bruce was
23 involved.

24 Q Okay. Let me show you a document here,
25 Mr. Hamner, see if you recognize it.

1 GECY - HAMNER (DIRECT EXAMINATION)

2 (Whereupon, Plaintiff's Exhibit
3 Number 12 was marked for
4 identification.)

5 BY MR. GECY:

6 Q Jaime, did you ever ask the bank to
7 make an exception on the road maintenance
8 agreement so you could close for your family?

9 A I don't think I did. I don't think it
10 was an option.

11 Q Why didn't you think it wasn't an
12 option?

13 A I was told that that was part of the
14 application with the VA, that it was a
15 requirement, so.

16 Q Requirement for what?

17 A To close the loan so I never questioned
18 it.

19 Q Was it a requirement for the VA?

20 A That was my understanding --

21 Q Okay.

22 A -- of it -- I don't -- like I said, I
23 don't know the bank legalese we're talking.

24 Q Was it your understanding that there's
25 no way the bank could close without a road

1 GECY - HAMNER (DIRECT EXAMINATION)

2 maintenance agreement?

3 A That was my understanding.

4 Q So, it was your understanding that if
5 this was no private drive this loan could have
6 probably closed, is that correct?

7 A No private drive? What do you mean by
8 'private drive'?

9 Q The road maintenance agreement is
10 required for the private road.

11 A Oh.

12 Q If we didn't have a private road to
13 Meridith Lane, therefore not requiring a road
14 maintenance agreement, do you think this thing
15 could have possibly closed?

16 A Yes.

17 Q Okay. Do you recognize any of these
18 documents? There's three of them there. I want
19 you to read the heading at the top there just on
20 the first one.

21 A 'FHA/VA Amendatory Clause and
22 Certifications.'

23 Q Have you ever signed a document like
24 that for a VA loan?

25 A Not that I'm aware.